

# Young African Leaders Journal of Development

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## YALJOD Full Issue 3.1

Prince Ifoh  
*YALF, Nigeria*

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# Young African Leaders Journal of Development

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To move African nations to the First World status by creating workable solutions, empowering its young people and preparing the next generation of responsible leaders for the continent.



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## FOREWORD

2020 will be remembered for decades to come as one of the most challenging years in the long history of humanity. We are facing a crisis the likes of which no person alive today has ever seen. The COVID-19 pandemic has changed the world. It will have a far-reaching impact into the future on the way we live, work, socialize, and educate ourselves. The youth generation of today will be the generation that will lead in a decade from now when the effects of the pandemic will manifest itself.

The spread of the pandemic has forced governments to close borders and impose lockdowns. While these measures were necessary, the consequences of these measures have led to increased unemployment, the destruction of businesses and livelihoods, the disruption of an already challenged service delivery public sector, and led to widespread emotional and mental stress. However, at the same time it has ignited a new spirit of entrepreneurship and creativity.

This issue of the YALOD journal addresses all the key issues that will present us with challenges and possibilities in the future. The journal covers the issue of education and its relationship to sustainable development and its impact on urban refugee children. It examines education and its impact on sustainable development in Nigeria, a country that will become the most populous country in Africa, and one in which its largest city, Lagos, will have close to 100 million people by the close of this century.

The key issue of the politicization of the public sector and its impact on service delivery is examined. On a continent struggling with rapid urbanization and exponential population growth, especially of young people, an independent and effective public sector is key to ensuring the delivery of the public goods so that young people can realize their potential, and build sustainable livelihoods. Aligned to an effective public sector the journal also focusses on the crucial issue of improving the public policy environment.

COVID-19 has placed a large financial burden on our continent which was already struggling to build sustainable economies. A number of articles in this issue focus on how to creatively build new economic activity and create economic growth through new technologies, while also closing the vital gap in tax evasion and avoidance by large corporates, and dealing with corruption.

The COVID-19 pandemic will exacerbate existing conflicts in Africa, as well as generate new ones. The journal addresses this issue through a number of articles that looks at the historical burden of conflicts, efforts to silence the guns of contemporary conflicts, and the future of African solutions to the challenges of African conflicts. COVID-19 has acted as a conflict multiplier, and deep reflection and analysis is needed to determine how to address these challenges. The journal provides a platform for these deep reflections.

Finally, the journal speaks to the silent but visible challenge of climate change and environment degradation. Africa is not only generating its own waste, but it is also becoming a dumping ground for waste from countries outside of the continent. Articles in this issue cover innovative ideas to tackle the challenge, while at the same time offering solutions to both the challenge of climate change and environmental damage, as well as creating new entrepreneurial opportunities.

Once again, the YALOD Journal is a pioneering contribution to peace, sustainable development, and innovation in Africa.

**Dr. Vasu Gounden,**

*Founder & Executive Director, The African Centre for the Constructive Resolution of Dispute (ACCORD) - South Africa.*



## FOREWORD

It is a great moment of achievement where young people are deeply involved in shaping the destiny of the continent through writing. The Young African Leaders Journal of Development (YALJOD) has highlighted on a number of issues that concern human rights as well as development from a Pan African view. I am deeply honoured to be with you today to celebrate youth activism and women in business. I would like to express my profound gratitude to the Young African Leaders Forum team for creating a youth journal since 2016 to promote and empower African voices on human rights and our collective development concerns.

The African Union has set out a 50-year vision, the Agenda 2063, in which we would like to improve the state of human rights and living conditions in Africa. This can be achieved by leaving no one behind. Such platforms as the YALJOD creates intellectual engagement with young brilliant minds on the continent that are vital in achieving the 50 year vision.

We are a torn continent that has, for many years, suffered human rights violation and other realities of underdevelopment from the time of trans atlantic slavery up to this day as some scholars did reflect in their articles. It is only the perpetrator of the violation that has changed in time but the victim has largely remained the youth, women and children. The perpetrator is the system of governance that has ignored technological innovations, political freedom, women and youth empowerment, food security, economic stability, environmental and legal development within Africa. The topics covered in this year's journal covers human rights violation, African economic needs and different concepts affecting our young people.

I urge the youth of this continent should support to each other. This strategy can be particularly effective in ensuring that we - as a continent - move forward on development and human rights. It is quite a cheerless moment that our human rights as African citizens have been violated due to the COVID-19 measures. We should have gathered together to launch this edition; but rights like the freedom of movement and right to association and gathering are being limited. But there is a beaming hope on online engagement which we can use to work together towards achieving a great Africa.

I would like to ensure youth that human rights and development in Africa will be achieved by allowing diverse views to make peaceful dialogue on issues that threaten human rights and collective progress. Youths should be part of this dialogue.

Let us commit to making Africa ideal for all Africans.

**Amb. Salah Siddig Hammad, Ph.D,**

*Head, African Governance Architecture - African Union Commission, Addis Ababa.*



## PREFACE

Every two years, young Africans from different perspectives and backgrounds take the initiative to investigate African states' proclivities - and to shed more light about the continent's sustainable development. Their thoughts, which are published in our Young African Leaders Journal of Development (YALJOD), bring hope and the passion for more work in the heart of every reader. But because this journal differs from the typical academic journal, we swore not to end our discussions in the book. As a pan-African organization, we took a scholactivist oath to ensure that we implement - or push for implementation - the workable solutions to Africa's underdevelopment highlighted in our journal.

As a concerned African, I have always believed and publicly maintained that Africa's greatest assets are not its numerous mineral resources – but its young people. The youths are the very core of the hope that we all have. Whether the Agenda 2063 plan, a better tomorrow or Africa's sustainable development, everything boils down to the generation who will dominate the discussion, pioneer the movement and live the dream future that we all envisage. A generation that is radical. Irrespective of the negative reports that are given about Africa on both local and global scenes; there is one thing we can never take away from our continent – it is the fact that Africa is home to some of the most dynamic, intelligent and industrious people on the planet.

In 2015, when the journal was initiated, we nursed an objective to garner the development ideas of Africa's intelligent young people and present them to national governments, policy makers and development organizations within the continent for implementation. To achieve this, we strategically launched every edition of this historic journal in partnership with the African Union Commission at the African Union headquarters, Addis Ababa, Ethiopia. We did that in 2016. We did that with the second edition in 2018 - and we were going to achieve this in 2020 until that horrible pandemic which struck the globe disrupted our plans. Howbeit, our virtual launch was also a milestone achievement for us.

We adopted scholactivism as the strategy to achieve our goals of implementation. We created a connection between what we write and what we do as an organization and as youths in our individual capacities. YALJOD 2020 is enriched with ideas and suggestions which can help foster our collective progress as Africans. But the implementation of these ideas is what is more pertinent. The Young African Leaders Forum (YALF), as one organization, cannot achieve or implement these development ideas alone. This is why we, through this preface, publicly invite the African Union and its commission, development agencies, government bodies, Policy Makers, Non-governmental Organisations and Civil Societies alike to find YALJOD a helpful resource material with clear ideas on development projects. When implemented, the development ideas noted in this edition will undoubtedly contribute to the realisation of the Africa we all want.

There is no gainsaying that my dispensation holds the key to the envisaged future for Africa. We will continue to unlock Africa's challenges and proffer workable solutions to them. The implementation of these solutions should be a 21<sup>st</sup> century imperative for all Africans – and lovers of Africa. And at the centre of this great continent are youths who are ready to make a difference – let us harness their potentials.

Again this year, I present to Africa and the globe at large 35 excellently-written development papers which will promote peace and security, advance technology, improve standards of living and ultimately secure sustainable development in any part of the globe when implemented.

**Prince Ifoh,**

*Founder & President, Young African Leaders Forum (YALF)*



## ACKNOWLEDGMENTS

What precious thing can be said or done to organisations and companies alike who throw immense support to the development works that we do? Even if we say a thousand “Thank You”, would it suffice or equal the good input that they have deposited into the well-being and progress of the entire African people. Well, like I did two years ago on behalf of the President and the entire Executive Council of the Young African Leaders Forum, I would like to acknowledge and appreciate great individuals, companies and organisations that have worked with us throughout 2020.

In collating papers and preparing this third edition of our reputable journal, six exceptional and professional youths played pivotal roles in editing and compiling articles to form this awesome work that you see. We appreciate Dr. Matthew Ogwu, Dr. Sara Haddou Amar, Sombo M. Chunda, Ngozi Marion Emmanuel, John R. Bassey and our own leader, Prince Ifoh. They worked with our highly experienced editorial consultants to prepare and package this journal. On this ground, I would like to appreciate all our youth editors and the editorial consultants who created time out of their busy schedules to help us realise this goal in 2020. Special thanks to Professor Martin Rupiya, Professor Vusi Gumede, Dr. Patricia Rodney, Dr. Vasu Gounden of ACCORD, Dr. Beatrice Njenga, Dr. Salah Hammad and Faith Akovi Cooper.

To the youth authors, upon whose tireless researches, development ideas and intellect the 2020 edition of YALJOD is made possible, we say thank you.

We are also indebted to the African Governance Architecture headed by the scrupulous reformer, Amb. Dr. Salah Hammad. His actions and positive reactions to youth agenda have always motivated us to continue to work harder to achieve the Africa we all want. We want to specially thank Dr. Salah Hammad and the entire African Governance Architecture of the African Union (AU) for supporting us in hosting the virtual launch of YALJOD (Edition III). Indeed, because we are Africans, we are a part of the African Union. We hope that this partnership enjoys a long-term presence, and continue to serve benefits to the entire African people.

We would also like to thank the International leader University in Kenya for a helping hand in our work to make the journal a success. The Walter Rodney Foundation in the United States has always been of immense support to us - we cannot thank them enough.

Under the direction of the Executive Council, I will also like to appreciate John Oparaji and Philglad Nigeria Limited for partnering with us in printing this third edition and making the soft and hard copies available. We also appreciate the management of Kennesaw States University - Georgia for concurrently helping us spread the electronic versions of our journal to the African Diaspora – and the entire globe at large. We appreciate our local partners within the African environment as well.

Without the services of Idriftonline Creative Media and Unique Printers (Cameroon), we don't know where we could have been. We are really indebted to your kindness and we hope for continuous cooperation and partnership as we envisage to develop the Africa we want. The International Rescue Committee heard our cry and sent Madam Faith Akovi Cooper who helped us achieve our goal.

As an organisation, we are forever indebted to our partners and the organisations that exude particular interest in working with us to foster Africa's sustainable development. We are also very much open to receive more support and partnerships as our vision is to play integral role in the eventual realisation of the African Union Agenda 2063 vision plan amongst others. Thank you everyone for your contributions and support.

**Pafungeyi Gore,**

*Vice President II, Young African Leaders Forum (YALF).*



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# IMPROVING ZIMBABWE'S PUBLIC POLICY ENVIRONMENT AS A REGIONAL AND GLOBAL STRATEGY FOR RE-ENGAGEMENT

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## ABSTRACT

For almost four decades, Zimbabwe's economy has been on a downward trend. Several economic policies have been adopted in an effort to mend the ailing economy, to no avail. According to the World Bank (2005), for public policies to be effectively implemented, political and economic fundamentals should balance. However, the politics of Zimbabwe continues to negatively impact on economic recovery and integration with regional and international trade networks. The net effect of this public policy imbalance is the ballooning of the national debt, skyrocketing of national inflation and pathetic positioning of the country on the human development index. The current government's 'Zimbabwe is now open for business' mantra is failing to turn the country's economic fortunes. It is against this backdrop that this qualitative research paper interrogated through desk research, the main challenges curtailing Zimbabwe's complete re-engagement with international economic communities so as to proffer recommendations for successful economic re-engagement.

**Keywords:** *Zimbabwe, economic policies, re-engagement challenges, economic recovery strategies*

## INTRODUCTION

From 1980 to date, the political economy of Zimbabwe has been unstable due to inconsistent economic policies which have resulted in unbridled inflation and disastrous currency reforms. This economic roller coaster which is bedeviling the country has thwarted all hopes of the much anticipated economic prosperity in the post Mugabe era. The new dispensation is making frantic efforts to come up with transformative models which can positively turn around the ailing economy but the economic fundamentals are not adding up. The severity of the economic crisis has forced the government of Zimbabwe into a process of re-engagement with international economic communities under the banner – 'Zimbabwe is Now Open for Business'.

According to the Transitional Stabilization Programme (TSP), the current economic blueprint, the government is embarking on implementation of national development policy initiatives and programmes in order to transform the economy and ensure realization of the country's Vision 2030, the African Union (AU) Agenda 2063 and the United Nations 2030 Agenda for Sustainable Development (UN SDGs). It is envisaged that amongst other initiatives, economic re-engagement will eventually unlock the much anticipated business opportunities. The paper is a product of desk research whose purpose is to proffer recommendations for effective economic re-engagement of Zimbabwe so as to re-invigorate the economy which is currently in the intensive care.

## METHODOLOGY

This paper adopted a qualitative approach, which helped to fully explore the issue under study. The methodology entailed systematic analysis of literature on public policy, economics and statistics. Such as journals, authoritative texts, legal and policy frameworks. Data analysis was carried out through the analytical narratives approach and thematic content analysis.





## **THE ECONOMIC POLICY ENVIRONMENT IN ZIMBABWE (1980-2017)**

Fox and Meyer (1995) defined public policy as a guide of action or statement of goals that should be followed in an institution to deal with a particular problem or phenomenon or a set of problems or phenomena. Since 1980 the government of Zimbabwe has been adopting a mixture of both progressive and regressive economic policies. Zhou and Hardlife (2012) categorised these policies into three distinct decades: first decade, second decade and third decade. The first decade of Zimbabwe's independence ushered in a number of progressive policies which received overwhelming support both locally and internationally. These included education-for-all and health-for-all policies. During this initial post-independence period, policy-making mainly focused on redressing social and economic imbalances and injustices created by the colonial administration so as to remedy colonial inequalities. The new government faced the pressing challenge of reconstituting and realigning the inherited national policy-making structures in line with the new set up since the colonial governance structure and policies harbored inequalities and injustices at every level of the society (Zhou and Hardlife, 2012).

However, in the second decade the government adopted disastrous socio-economic policies which reversed the gains of the first decade. Some of the regressive economic policies are the Economic Structural Adjustment Programme (ESAP) adopted in 1990, which was implemented in line with prescriptions by the Bretton Woods Institutions (BWIs) (Makoni, 2000). According to Zhou and Hardlife (2012) the policy was supposed to de-emphasize expenditure on social services and emphasize investment in the material production sectors such as agriculture, mining and manufacturing. The structural and situational constraints which resulted from ESAP, led to the adoption of the Zimbabwe Programme for Economic and Social Transformation (ZIMPREST). ZIMPREST was launched in February 1998 to restore macro-economic stability, poverty alleviation, facilitate public and private savings and investment, and to invest in human resources (African Development Bank and African Development Fund, 1999). Furthermore, it was hoped that ZIMPREST would extend and broaden the policy reforms implemented under the ESAP. However, the programme failed to meet the target set due to lack of international financial support to back up policy implementation (Zhou and Hardlife 2012). ZIMPREST was however, doomed because of too many unachievable goals which included poverty reduction, land reform, employment creation, institutional reforms and decentralization.

Howard-Hassmann (2010) highlights that policy making in the third decade coincided with the inclusive government framework. The decade was characterised by intense economic crisis and political turmoil. Some of the policies adopted during this decade are the Fast-track land reform policy; Access to Information and Protection of Privacy Act (AIPPA) and Public Order and Security Act (POSA); the Indigenisation and Economic Empowerment Policy; Diamonds Policy and Mid-term Economic Policy (2011 – 2015). Post inclusive government policies included the economic blueprint launched in October 2013, the Zimbabwe Agenda for Sustainable Socio-Economic Transformation (Zim-Asset). This continuous adoption of inflexible national policies is one of the reasons why Zimbabwe continues to face isolation by the international community.

## **THE ECONOMIC POLICY ENVIRONMENT IN ZIMBABWE IN THE NEW DISPENSATION (2017-2020)**

From 2017-2020 the current government (New Dispensation), crafted the Vision 2030 policy framework, which has the objective of transforming Zimbabwe's economy through creation of an open economy capable of attracting the much needed foreign direct investment. The Vision's target is to ensure that Zimbabwe becomes a middle income economy with a per capita income of US\$3500 per person by 2030. As a response to Vision 2030, the new administration coined the 'Zimbabwe is Now Open for Business' mantra after realisation that investment is a vital component for reinvigorating the productive sectors. In order to support Vision 2030 the government crafted the Transitional Stabilisation Programme (TSP) in a bid to resuscitate



the economy after years of gradual deterioration. The TSP which is a roadmap for achieving Vision 2030 outlines policy reform initiatives which aim to awaken domestic production, increase exports, and promote reconstruction and transformation of the economy to an upper middle income status by 2030.

### **CHALLENGES AFFECTING ZIMBABWE'S ECONOMIC POLICY ENVIRONMENT**

The following are some of the challenges which are affecting Zimbabwe's economic policy environment and subsequently repelling foreign investors:

- **Aggressive Diplomatic Character**

Since the turn of the third millennium the former government of Zimbabwe sacrificed diplomatic relations and economic networks on the altar of political expediency. The late former head of state and government tongue-lashed foreign leaders who accused his government of 'bad governance', labelling them as agents of regime change. This resulted in acrimonious diplomatic relations and isolation of Harare by the international community. A combination of an ambitious foreign policy and a rigid diplomatic style reduced the country to a pariah state. Instead of accepting responsibility for the collapse of the economy, the government adopted the sanctions mantra as a scapegoat for its malgovernance. The narrative that has been maintained is that the present crisis that the country finds itself in is a result of the sanctions imposed by the west on Zimbabwe (Chenga, 2016).

- **Protracted Company Incorporation Processes**

The Zimbabwe Economic Policy Analysis and Research Unit (2012) posits that progressive governments play a critical role in putting in place enabling policy frameworks that expedite economic development. As such processes for incorporation of companies should be simplified. Previously, registration of new businesses in Zimbabwe was a protracted process until the recently introduced 'Ease of Doing Business' reforms. The hostile company incorporation process has been attributed to corruption by bureaucrats and is viewed as the leading factor which has been scaring away foreign investors (Choruma, 2016). That is why the World Bank (WB) Ease of Doing Business 2013 Indicators portrayed Zimbabwe's poor rankings of position 157 out of 185 countries in 2011 and then position 173 in 2012 (African Development Bank Group, 2013). Due to the absence of a favourable business environment foreign investors continue to shun long-term investment in Zimbabwe.

- **Investment Repelling Economic Policies**

Politicking on policy issues is a vice which has negatively affected Zimbabwe's economic policy environment. Political interests of the ruling party influence national policies since there is prioritization of the interests of the party at the expense of national interests. Partyhood takes precedence over nationhood (Zhou and Hardlife 2012). For example policies on access to natural resources have been crafted in such a way that they mainly benefit senior ruling party and government officials, especially in agro-business, mining and wildlife management. This politicking on policy issues has therefore created a negative image of the country in the international community which has resulted in imposition of preconditions for meaningful re-engagement such as solid evidence of credible and noticeable progress on political and democratic reforms.

There has also been concern with protectionist policies such as Statutory Instrument SI/64 of 2016, which imposed trade restrictions on locals and neighbouring trade partners. These policies make it difficult for locals to import basic goods and trade with their neighbours creating undue socio-economic hardships (Chitiyo, Vines and Vandome, 2016). Another major hurdle has been lack of political will for implementation of adopted policies. Well-crafted economic blue prints gather dust without transforming the economic fortunes of the country. This has resulted in deterioration of economic performance (Chenga, 2016).

- **National Debts**

The TSP (2018) states that the major economic challenges faced by Zimbabwe relates to the unsustainable



and prolonged fiscal deficits that perpetuate uncontrolled domestic borrowing thereby causing macro-economic instability. Further, the African Development Bank and African Development Fund (1999), highlight that the country's external debt stock was estimated at the equivalent of 101.5% of the GDP in 1997. The external debt service ratio of the country was 20.8% in 1998 and projected to fall from 20.8% in 1999 to 19% in 2000 and 16.8% in the year 2001. However, as of September 30 2015, Zimbabwe's public and publicly guaranteed debt inclusive of arrears stood at \$8, 368 billion of which \$1, 29 billion was domestic debt, whilst \$7, 078 billion was external debt (Gwanyanya, 2016).

In March 2012, the government adopted a debt clearance plan called the Zimbabwe Accelerated Arrears Clearance, Debt and Development Strategy (ZAADDs), aimed at normalising relations with the International Financial Institutions (IFIs). Zimbabwe entered into a Staff Monitored Programme (SMP) with the International Monetary Fund (IMF), as a sign of commitment to clear arrears on its debt repayments (Chitiyo et al, 2016). The review of the SMP in March 2016 concluded that targets had been met but this was not sufficient enough to enable the country to obtain new finance from the IFIs (Chitiyo et al, 2016).

In 2015 the Lima agreement, required the government to clear its arrears of \$1, 8 billion to IFIs namely WB (\$1, 1 billion), ADB (\$601 million) and the IMF (\$111 million) as of 30 June 2016, however, the government failed to honour the agreed timelines. The government's failure to service its debts particularly with multilateral institutions has created a high economic risk profile for the country, which is encountering challenges in accessing lines of credit (Gwanyanya, 2016). This state of affairs has made Zimbabwe an extremely unattractive destination for Foreign Direct Investment (FDI).

- **Failure To Adhere To Principles Of Good Governance**

Sections 3(1) (h) and 9 of the Constitution of Zimbabwe provide that good governance is one of the principles guiding Zimbabwe. The WB views good governance as the manner in which power is exercised in the management of a country's economic and social resources for development. It is measured by indicators which assess the country's capacity to achieve tasks assigned to it, with rules and regulations laid down by it, and within the context of favourable environmental conditions. Indicators of good governance include accountability, political stability, government effectiveness, and regulatory quality, rule of law and control of corruption. In Zimbabwe there has been extensive failure to adhere to these principles of good governance through lack of transparency and accountability, systemic corruption as well as violation of human rights, hence the economic sanctions which have been imposed on Zimbabwe by the West, and the United States through the Zimbabwe Democracy and Economic Recovery Act (2001) and the subsequent amendment in 2018.

The TSP emphasizes that transparency and accountability by all stakeholders and citizens is key for the transformation of the economy and realization of the aspirations of Vision 2030. There is however, serious concern with transparency and accountability particularly in the management of public funds in government, parastatals and state owned enterprises in Zimbabwe. The Auditor-General's Report (AG) for the financial year ended December 31, 2014 flagged out governance weaknesses and rampant misappropriation of public funds in government and the public sector. Furthermore, the AG's Report for the financial year ended December 31, 2018 unearthed, amongst others, massive corruption; misuse of public funds; public sector mismanagement; corporate governance weaknesses; lack of transparency and accountability in State Enterprises and Parastatals (SEPs). Weaknesses in governance practices have seriously compromised accountability and transparency. Corporate governance shortfalls have resulted in lack of transparency, accountability and effective monitoring mechanisms.

Zimbabwe has signed and ratified several regional and international human rights standards, which place obligations on the State to promote, protect and enforce human rights. In spite of these human rights obligations, civil and political rights as well as socio-economic rights are still violated with impunity. There is still a big gap between human rights in theory and practice. Zimbabwe Human Rights NGO Forum (2018)



opined that Multi-National Companies (MNCs) are regulated by the United Nations Guiding Principles on Business and Human Rights (2011) which prohibit them from investing in countries which violate human rights. The government should therefore adopt a foreign policy that is both responsive to human needs and sensitive to human rights. Some of the governance reforms recommended by the TSP include: fairness in application of the rule of law, as well as upholding of human and property rights. The Open for Business mantra should be accompanied by tangible improvements in human rights conditions which promote human security for both citizens and investors. That is why the Zimbabwe Human Rights NGO Forum (2018) opined that the 'Zimbabwe is Now Open for Business' mantra can only succeed if there is robust fidelity to constitutional provisions that promote responsible resource management and fiscal accountability as envisaged by the Constitution of Zimbabwe.

- **Corruption**

Corruption is one of the major threats to Zimbabwe's economic development agenda. According to Choruma (2016) Zimbabwe has become so embedded with rampant grand corruption that it has now become the tormentor of its own economic development agenda. Hlatywayo and Mukono (2014) also view this misuse or the abuse of public office for private gain as systemic and institutionalised such that it is now a socially accepted practice. The most prevalent forms of corruption in Zimbabwe include fraud, bribery, embezzlement of public funds/property, smuggling, externalisation of funds, concealment of information, misuse/abuse of office/position for personal gain, extortion, misrepresentation, nepotism and tax evasion (Chitiyo et al, 2016). Corrupt activities resulted in the loss of US\$15 billion worth of diamonds which were siphoned out of the country. Public sector entities such as the National Social Security Authority (NSSA), Premier Service Medical Aid Society (PSMAS), Zimbabwe Broadcasting Corporation (ZBC), Zimbabwe Revenue Authority (ZIMRA), Air Zimbabwe, Zimbabwe Electricity Supply Authority (ZESA), Net One, have all been fingered out in corrupt dealings involving millions of dollars.

Because of this extensive and systemic corruption, Zimbabwe was ranked 150/168 on the 2015 Corruption Perception Index (CPI) survey published by Transparency International (TI). This poor ranking compromises the competitiveness of Zimbabwe in attracting FDI and thwarts its grand plans for economic revival. It is therefore evident that the government of Zimbabwe is failing to deliver on its promises of economic prosperity for all citizens due to lack of political will to eradicate the deep-rooted corruption and the propensity for extravagant non-official expenditures.

- **Violation Of Bilateral And Multilateral Agreements, And Property Rights**

Zimbabwe is bound by several bilateral and multilateral agreements entered into with the Southern African Development Community (SADC), Common Market for Eastern and Southern Africa (COMESA) and World Trade Organisation (WTO) among others. Government's failure to comply with provisions of these agreements compromises the process of re-engagement. Makoshori (2015) affirmed that the government has shown minimum commitment to honour and implement provisions of the Bilateral Investment Promotion and Protection Agreements (BIPPAs) and the Vision 2030. It was also reported in the Newsday of 24 February 2016 that Zimbabwe violated its 1996 agreement with China by unilaterally stopping Chinese-owned diamond producers from operating at Marange Diamond Fields. Such conduct reduces external confidence in the government (Chitiyo et al, 2016).

## **CONCLUSION**

From the discussion, it is evident that Zimbabwe is still far from being open for business. Full international re-engagement is determined by the level of political will by government which should strengthen its policy making and implementation capacities. However, holistic structural economic reforms can propel Zimbabwe to its yesteryear status of being the bread basket of Africa, and become a middle income economy by 2030.



## RECOMMENDATIONS

For successful re-engagement to occur, the government should address the following issues:

- There is need for review of policies and laws which are counter-developmental so that they comply with principles of good governance.
- The government should eliminate corruption which is making the country unattractive to foreign investors due to increase in costs of setting up and running businesses.
- There should be full commitment to a long-term development strategy which promotes local economic initiatives so as to build investor confidence.
- The government should promote good governance as part of its political reform agenda as a sign of its commitment to economic re-engagement with the international community.
- There is also need to avoid politicization of the policy making process which currently reflects ruling party political interests.
- In relation to the ballooning national debt, the government should finalize the arrears clearance process and restructure debts with the institutions it owes.
- The government should be willing to adopt a long term plan for economic reform and abide to terms and conditions set.

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# **PUBLIC POLICY, A CATALYST FOR SILENCING FINANCIAL CRIME AND CORRUPTION: THE CASE FOR DEPLOYMENT OF DIGITAL IDS IN THE SOCIAL MEDIA PLATFORMS**

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## **ABSTRACT**

The use of social media platforms such as Twitter, YouTube, Facebook, and Instagram for promoting criminal agendas (including global terrorism, transnational organised crime, and cyberattacks) is a rapidly growing phenomenon. Criminals are increasingly using social media as a platform for the recruitment of victims, clients, service providers, and to solicit donations that are normally channelled through the financial system. The National Defense University's Center for Complex Operations lists social media as “enabling a new category of professional “terrorist financiers” within terrorist groups, as they rely more heavily on social media to solicit donations and communicate with both donors and recipient radicals (Trabulsi & Reitano, 2016, p.223). In Africa, Somalia's al-Shabaab is identified as a terrorist organisation that has “long had quite active campaigns on Twitter and Facebook, and spends considerable energy on propagating its radical ideology through slick propaganda” (Trabulsi & Reitano, 2016, p.217).

The complexity of a trillion-dollar financial crime industry requires a multidisciplinary collaborative approach to comprehend and counter. Effective cross boarder collaboration on intelligence sharing and border security among the African states, together with regional, continental and international organisations is key to the successful deployment of counter terrorism strategies (Ramdeen, 2017).

Digital identification, or “digital ID, is becoming an essential tool for anti-corruption and financial crime efforts. The need for the deployment of digital ID systems to counter the various financial crimes through social media is becoming increasingly urgent. Deployment of digital ID systems by the social media companies is critical to silence the voices of those promoting criminal acts or terrorist agendas through these platforms. The paper seeks to make a meaningful contribution towards the global fight against financial crimes and corruption by making a case for public policy by governments and financial regulators around the world recognises as a catalyst for the take-up of digital IDs by the social media companies.

## **INTRODUCTION**

Today, there is a growing recognition that social media has become an essential tool for organised crime groups in promoting their criminal agendas enabling terrorist groups to facilitate the financial crimes of money laundering and financing of terrorism (Piazza & Guler, 2019; United Nations Office on Drugs and Crime, 2012). Digital identification, or “digital ID” has been acknowledged globally as a new technology-based solution that has the potential to revolutionise the global fight against financial crimes and corruption (Mari & Davis, 2019). The collaboration to win the war on financial crime and corruption rests on the effective deployment of digital ID systems in both the social media and financial industries because organised crimes normally originate in the social media before it is committed through the financial industry (Muggah, 2015). The drawbacks and potential misuse of social media platforms have been recently documented as highlighted in the remarks of Amedie that “Another dangerous aspect of social media is the rapid adoption of this medium by terrorists groups” (Amedie, 2015, p.13).

For example, a UNDOC's publication on the use of the Internet for terrorist purposes has stated that:

The promotion of extremist rhetoric encouraging violent acts is also a common trend across the growing range of Internet-based platforms that host user-generated content. Content that might





formerly have been distributed to a relatively limited audience, in person or via physical media such as compact discs (CDs) and digital video discs (DVDs), has increasingly migrated to the Internet. Such content is distributed using a broad range of tools, such as dedicated websites, targeted virtual chat rooms and forums, online magazines, social networking platforms such as Twitter and Facebook, and popular video and file-sharing websites, such as YouTube and Rapidshare, respectively. The use of indexing services such as Internet search engines also makes it easier to identify and retrieve terrorism-related content. (United Nations Office on Drugs and Crime, 2012, p.5).

The Institute of International Finance's (IIF) paper 2019 Digital Identities in Financial Services- Part 1: Embedding in AML Frameworks makes a strong argument for the adoption of Digital IDs for financial crime prevention as reflected in these remarks "Assuming the security standards are sufficiently high to prevent fraud and illegitimate generation of fake Digital IDs, bad actors will find it harder to gain access to the system." The literature on the significant role that Digital Identity can play in digital environments is extensive, and the adoption and use of digital identification networks by the public and private sector organisations are not new (Abelson et al., 1998). This sentiment is echoed by the Financial Action Task Force's (FATF) draft guidance on digital identity. In particular, the draft guidance publication states that:

The rapid pace of innovation in the digital identity (ID) space has reached an inflection point. Digital ID standards, technology and processes, have evolved to a point where digital ID systems are, or could soon be, available at scale. Some of these relevant technologies include: a range of biometric technology; the near-ubiquity of the Internet and mobile phones (including the rapid evolution and uptake of "smart phones" with cameras, microphones and other "smart phone" technology); digital device identifiers and related information (e.g., MAC and IP addresses, mobile phone numbers, SIM cards, global position system (GPS) geolocation); high-definition scanners (for scanning drivers licenses and other ID); high-resolution video transmission (allowing for remote identification and verification and proof of "liveness"); artificial intelligence/machine learning (e.g., for determining validity of government-issued ID); and distributed ledger technology (DLT) (FATF Guidance, 2019: 8).

The paper makes a case for public policy as a catalyst for the take-up of digital identity technologies by social media companies. The paper goes on to highlight some of the existing digital ID networks across public and private sectors that share some light on the potential of digital ID tools for facilitating the collaboration to win the war on financial crime and corruption.

## DEFINITION OF KEY CONCEPTS

The concepts of digital Identity and public policy as predominately used in this paper are defined and clarified to provide an explicit understanding of these terms and the context they are used in this paper.

### Digital Identity

"Digital Identity"- the most describing explanation for digital identity has been offered by the Association of Certified Anti-Money Laundering Specialists (ACAMS) as "data about persons stored and accessible through computer systems that closely link to their civil and national identities" (Mari & Davis, 2019). Through the use of digital ID systems, a person's official identity in an online environment can be linked to a physical person.

### Public Policy

Thomas Dye defines the concept of public policy in its simplest form as "anything a government chooses to do or not to do" (Howlett & Cashore, 2014, p.17). From Dye's definition, public policy can be understood in a wide and narrow sense. In the wide sense, it refers in general to a government regulation to safeguard the





interests of the public. However, in the narrow sense, the term refers to an action or decision by the government to achieve a particular goal(s).

## OVERVIEW OF KEY FINANCIAL CRIMES AND CORRUPTION

The Temenos and NetGuardians'e-book titled A-Z of financial crime in Africa reports an increase of 7% in economic crime for Africa estimated at 57% against a global average percentage of 36% over a period of 24 months (Temenos and NetGuardians, 2016). The Refinitiv's report on the true cost of financial crime focusing on Sub-Saharan Africa estimates that companies across the region spent 3.4% of turnover (against a globally average of 3.1%) to prevent financial crime over a period of 12 months (Refinitiv, 2019). Today there is a growing recognition that citizens have an important role to play in the war against financial crimes and corruption. As the general public becomes increasingly aware of financial crimes and corruption through the mass media, governments across African states are soon realising that the young population is fed up through rampant corruption and economic crimes that have been going on for many years. Chimezule (2015) makes a case for a greater involvement of civil societies to fight corruption and financial crimes in his country, as he states that:

Corruption is controlled only when citizens are no longer prepared to tolerate it. Private groups, professional organizations, religious bodies etc. all have stakes in the fight against financial crimes in Nigeria. Civil societies are watch dogs on the integrity of public office holders. Their independent stand on issues, acts as checks and balances on the public and private sectors. Thus it is obvious that when civil societies are strengthened, it can curb corruption and financial crimes (Chimezule, 2015, p.30).

Efforts by individual country governments, civil society organisations (CSOs) and international regulatory organisations are geared towards the promotion of transparency in various industries that are known for illicit and corrupt activities such as the extractive industry within their own countries. On a global level, transparency initiatives like the Publish What You Pay (PWYP) and Section 1504 of the Dodd-Frank Wall Street Reform and Consumer Protection Act are pushing for globally accepted transparency standards (Sovacool et al 2016).

The 'traditional' financial crimes like fraud and money laundering have been associated with criminals for many ages. Over the last two decades, criminals have invented new methods of committing the same 'traditional financial' crimes like fraud as well as cybercrime by using computer technology as tool (Brenner, 2012). There is a strong connection between modern crimes of corruption in the real world and financial crime via the cyberspace ([Zadvornykh](#), 2018). The following prominent types of financial crimes have necessitated the deployment of fintech solutions:

### Money laundering

The term 'money laundering' has been defined in general as referring to 'any acts that obscures the illicit nature or the existence, location or application of proceeds of crime' (de Koker, 1999). The definition adopted by the FATF (Financial Action Task Force) defines money laundering as the 'process of criminal proceeds to disguise their illegal origin' (van der Wolf, 2011). With the rise of technology, the crime of money laundering has become more complex because criminals have found a way of utilising shell companies and perhaps even fintech-enabling technologies to hide laundering financial transactions (The Financial Action Task Force, 2018). As a result money laundering and financing of terrorism are receiving more attention from international institutions, governments and law enforcements around the globe.



### Cyber crime

Cybercrime is a computer-oriented crime that "involves a computer, networked device or a network" (Brush et al., 2020). Chambers-Jones (2012) states that, 'more criminals exploit the speech, convenience and anonymity modern technologies offer in order to commit a diverse range of crimes'. Criminals use a sophisticated form of cybercrime such as cyber-attacks as well as less sophisticated forms of cybercrimes such as spoofing, phishing, spamming and scams to commit various crimes. Cyber risk is emerging as a key






threat to financial stability, hackers directing their cyberattacks on the SWIFT network of central banks with Bangladesh's [central bank](#) losing nearly USD 100 million to hackers in February 2016 (Bouveret, 2018).



| Country | Digital ID system  | Brief description   |
|---------|--|---|
| INDIA   | <br>(India. Ministry of Electronics and Information Technology .2019. <i>Unique Identification Authority of India</i> ) | <b>Aadhaar</b> has been described as the world's largest biometric identity system that has been operational since 2010. This unique identification system is used to provide a variety of public and private services. |
| ESTONIA | <br>(Estonia. Ministry of the Interior. 2019. <i>A unique opportunity opens Estonia's e-services to foreigners</i> )    | <b>e-Residency</b> has been described as the first government issued digital identity that provides Estonia residents with access to various digital services such as e-Governance, e-Tax, e-Residency and e-Health.    |






|                |  |   |
|----------------|--|---|
| UNITED KINGDOM | <br>(the United Kingdom. Government Digital Services. 2019. <i>Guidance GOV.UK Verify</i> )   | <b>GOV.UK Verify</b> is the United Kingdom's <u>identity assurance</u> system used as a “secure way to prove who you are online” providing UK residents with access to government services.   |
| NEW ZEALAND    | <br>(New Zealand. Department of Internal Affairs. 2020. <a href="#">Proving and protecting your identity</a> )  | <b>RealMe</b> is a New Zealand government's login and identity verification service, and it provides a variety of government services as well as private services such as opening bank accounts to be accessed online without providing additional identification.  |
| UNITED STATES  | <br>(the United States of America. Departments of Motor Vehicles. 2020 <i>New driving licenses: from cards to mobile driver's licenses, solutions, and services</i> ) | <b>Digital Driver's License U.S Pilot</b> is a 2-year interoperable pilot development of a smartphone-based credential for implementation in five US states (Colorado, Idaho, Washington D.C, Wyoming and Maryland) to provide services such enrolment, updates to the document once it is in the field, attribute sharing and law enforcement. |

Source: ACAMS Today Magazine – November 2019 Special for the web

### Private sector digital identification networks

Across the private sector, Verified. Me, Mastercard Digital Identity Services and Shyft are the most prominent existing private industry digital identification networks in operations that may serve as references. Table 2 below provides a list of digital identification networks across the private sector.

**Table 2: Private industry digital identification networks in operations**

| Digital ID system   | Brief description  |
|---|--|
| <br>(SecureKey Technologies Inc. 2020. <i>Your identity in your control</i> )                  | <b>Verified.Me</b> is a service offered by SecureKey Technologies Inc as a Canadian Digital identity that offers a secure and convenient way to help Canadians verify their identities online which was developed in cooperation with seven of Canada's major financial institutions (BMO, CIBC, Desjardins, National Bank of Canada, RBC, Scotiabank and TD).   |
| <br>(PYMNTS.2019. <i>Mastercard Pilots Digital ID Verification Program in Australia</i> )      | <b>Mastercard Digital Identity Services</b> is a pilot digital ID verification services as first announced in March 2019 being developed by Mastercard in collaboration with Samsung Electronics Co., Microsoft Corporation, the Australian government, and Deakin University.   |
| <br>(Shyft.2019. <i>Unlocking trust, identity, and creditability networks for humanity</i> ) | <b>Shyft</b> is a decentralised public network that has been described as“ the world's first modern, secure, multi stakeholder Blockchain-based digital identity ecosystem that enables Know Your Customer (KYC)/ Anti Money Laundering (AML) attested data transfers” (Business Wire, 2019). Data is provided to the network via shyft tru anchors, which are predominately financial services companies. |

**Source:** ACAMS Today Magazine – November 2019 Special for the web

From the several digital identification networks operational today across public and private sectors, the implementation of these networks in the social media channels, Twitter, YouTube, Facebook, and Instagram is missing (Smith, 2020). The potential to solve many of the problems associated with organised crime that normally originates in the social media before it becomes a financial crime will be lost if social media companies do not work towards the implementation of digital identification on all these social media channels.

### **Public Policy And Regulation Of Social Media Companies**

Public policy is an established concept of rule-making which, in lay terms, means government regulation to safeguard the interests of the public. The interpretation of what is regarded as in the public interest or for public purpose may vary from country to country. An important public policy question for governments is how to regulate the take-up of digital identity systems by the social media companies in order to prevent the promotion of organised crimes through the various social media platforms for the global fight against financial crimes and corruption? For digital identity, public policy for regulating the introduction and take-up of digital identity solutions by the social media companies must take into consideration a range of existing







regulatory frameworks for data protection, privacy, and surveillance issues.

Several terrorist financing cases that involved social media have unfolded during the last decade, and this has led to some governments proposing regulatory measures for the social media companies in an effort to combat organised crime, money laundering, and the financing of terrorism (All Answers Ltd., 2018).

The documented [rise](#) in live streaming of inappropriate content as well as serious crime on Facebook makes a compelling case for regulating the introduction and take-up of digital identity technology solutions by the social media companies. Cases of online hate targeted to certain groups of people or individual and broadcast killings on Facebook Live are not new. The New Zealand mosque massacre is one example of the documented livestream with more video uploads within 24 hours' time, "[1.5 million videos and images of the killings](#) were uploaded to Facebook's servers" (Grygiel, 2019). Media reports on the Rohingya refugees in India where it is reported that "But anti-Rohingya hate speech and falsehoods have since spread to India, where Facebook has 340 million users" (Rahman & Goel, 2019) and the trending hateful xenophobic [hashtags](#) in South Africa, to name but a few, reveal an unacceptable state of online hate (Chengeta, 2020).

Across the world, regulatory framework for the large social media platform operators is still in its infancy and the existing criminal regulatory regime for most countries does not specifically address the prevention of online criminal activities or behaviour facilitated through the major social media platforms. Australia, China, Germany, Russia, the United Kingdom, the United States and Canada are one of the few countries that have been regulating social media companies over what has been described as harmful content. Table 3 below provides a list of countries that legislates social media companies

**Table 3: Countries with regulations targeted to social media companies**

| Country  | Policy framework on social media companies   |
|--|--|
| <b>AUSTRALIA</b><br><br><b>Source:</b> Baker McKenzie. (2019). Unprecedented Penalties for Enabling the Sharing of Abhorrent Violent Material Online. Baker McKenzie. Australia | <b>Australia's</b> 2019 criminal law (Sharing of Abhorrent Violent Material Act 2019) introduced criminal penalties for social media companies in relation to abhorrent violent material |
| <b>CHINA</b><br><br><b>Source:</b> Ruan, L. (2019). Regulation of the internet in China: An explainer. <i>The Asia Dialogue</i> .   | <b>China</b> has blocked social media sites such as Twitter, WhatsApp, and Google and employs cyber police to monitor social media platforms.  |



|   |  |
|---|--|
| <p><b>GERMANY</b></p>  <p><b>Source:</b> Böttcher, L. (2018). <i>Network Enforcement Act</i> (Netzduechsetzungsgesetz, NetzDG). German Law Archive.</p>  | <p><i>Germany's 2018 Network Enforcement Act or NetzDG law requires social media companies to set up procedures to review complaints about content they are hosting and remove illegal material within 24 hours.</i></p> |
| <p><b>RUSSIA</b></p>  <p><b>Source:</b> KPMG. (2020). The “localisation” of Russian citizens’ personal data. KPMG</p>   | <p><i>Russia’s 2015 Data Law requires all social media companies to store any data about Russian citizens on servers within the country.</i></p>   |
| <p><b>UNITED KINGDOM</b></p>  <p><b>Source:</b> The United Kingdom National Archives. Counter Terrorism and Security Act 2015.</p>   | <p>The <b>UK’s 2015 Counter Terrorism Security Act</b> grants intelligence agencies the power to conduct mass surveillance and store data from social media companies</p>  |
| <p><b>UNITED STATES</b></p>  <p><b>Source:</b> The USA. Departments of Homeland Security and Justice. (2018). Privacy and Civil Liberties Final Guidelines: Cybersecurity Information Sharing Act of 2015.</p> | <p>The <b>United States’s 2015 Cybersecurity Information Sharing Act</b> requires social media companies to alert federal authorities of terrorist-related content on their sites.</p>                                   |



## CANADA



**Source:** Elghawaby, A. (2018). Social media's self-regulation isn't enough. Centre for International Governance Innovation

**Canada** 's 2018 Network Enforcement Act (known as "Facebook Law") "legislates hefty fines of up to 50 million for social media companies that fail to remove ' obviously illegal ' content, including defamation, incitements to violence, and hate speech within 24 hours of the content being reported ' .

## THE CASE FOR DIGITAL IDs IN THE SOCIAL MEDIA PLATFORMS

The regulatory measures imposed on social media companies as presented in table 3 above illustrate the need for regulation of Internet-related services (e.g. social media platforms) and content control as a way of combating security threats such as organised crime, corruption and the financial crime of money laundering and the financing of terrorism. Social media companies have always worked on the principle of freedom of expression, which lacked checks and balances with regards to content that may be deemed to be contrary to public purposes or in the public interest. Long before the popularity of social media platforms, many countries already enacted laws that prohibited any form of expression that is likely to incite acts of violence or promote security threats such as global terrorism, organised crime, corruption, and cyber attacks (UNODC, 2012).

Allowing the free exchange of ideas and content on the social media platforms provided new financial crime and corruption opportunities simply through the misuse of well-intended social media innovations such as Live-Streaming. In order to provide effective technology innovation measures to threats presented by organised crime groups using the social media platforms, governments require clear public policy measures that prevent unlawful acts carried out over multiple social media channels taking into consideration a range of existing regulatory frameworks for data protection, privacy, and surveillance issues. This can be achieved through a public policy framework that encourages social media companies for the take-up of digital identity systems to counter organised crimes as these crimes normally originate in the social media space before they become a financial crime that is committed through the financial sector industry.

In practice, regardless of the existing legislative frameworks to combat security threats, the global fight against financial crime and corruption will not be easily won if the deployment of the digital ID systems is not implemented in the social media space. Credit should be given to Australia, China, Germany, Russia, United Kingdom, and the United States as well as countries that have shown commitment in curbing financial crime and corruption that is facilitated through social media platforms. It was through these regulatory policy measures by these few countries that forced social media companies to begin putting measures forbidding the posting of harmful material on their platforms (UNCTAD, 2016).

Taking down social media accounts that promote violence or terrorism-related propaganda is one step in the right direction in winning the war on financial crime and corruption. This action alone by social media companies will not produce great results if technologies such as digital identity are not implemented in the social media space. The fact that it is easy to open a new social media account in few minutes makes the monitoring of offensive accounts difficult because people can still promote their criminal acts by opening a





new account with a refined strategy to avoid been easily classified as offensive account while still being able to promote their criminal or terrorist agendas.

## CONCLUSION AND RECOMMENDATIONS

Across the globe, there is an increasing awareness that the global fight against financial crimes and corruption can be won through the use of Information and Communication Technology (ICT) tools such as digital identity, big data, machine learning, distributed ledger technology, blockchain, and artificial intelligence. Digital identification, or “digital ID, is becoming an essential ICT tool for anti-corruption and financial crime efforts. The need for the deployment of digital ID systems to counter the various financial crimes facilitated through social media platforms such as Twitter, YouTube, Facebook, and Instagram is becoming increasingly urgent. Deployment of digital ID systems by the social media companies is critical to silence the voices of those promoting criminal acts or terrorist agendas through these platforms.

Effective regulation is key to the successful deployment of digital Identity technology solutions for fighting financial crime and corruption. The sentiment is reflected in the remarks made by the joint-authors, Adam Thierer, Andrea Castillo O'Sullivan, and Raymond Russell that 'unless a compelling case can be made that a new invention will bring serious harm to society, innovation should be allowed to continue unabated and problems, if they develop at all, can be addressed later' (Thierer, O'Sullivan & Russell, 2017, p. 3 & 5). The key advantage for deployment of digital ID systems by the social media companies is that it simplifies the verification of platform users' identities online making it easier for the platform operators to deal with million uploads that are regarded as inappropriate and the users' personal data on the social media platforms only needs to be cleaned up so that authentication online is made easier.

This paper advocates for the deployment of digital ID systems to counter the various financial crimes facilitated through social media platforms by making a case for a public policy framework that encourages social media companies to deploy digital identity systems to counter organised crimes. The prospect for successful prevention of financial crimes and corrupt practices is possible through the flexible and adaptable social media regulation. From the existing digital ID networks across the public and private sectors, various lessons are learned. A review of the literature showed that digital identity exists in certain parts of the world and has been instrumental in improving trustworthiness, security, privacy, and convenience of identifying natural persons in a variety of online settings. Based on the findings, It is safe to conclude that it is practically possible to use public policy regulatory framework similar to the mandatory SIM card registration laws as a catalyst for take-up of digital services by the social media companies as a valuable partner that can play a significant role in silencing the voices of those promoting criminal acts or terrorist agendas through these platforms. However, for this to be successful, it is recommended that the Financial Action Task Force (FATF) leads the campaign on the deployment of digital Identity systems by the social media companies in their various platforms as a tool for fighting financial crime and corruption.



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# WOMEN'S POLITICAL REPRESENTATION AND SUSTAINABLE DEVELOPMENT IN NIGERIA, 1999-2019.

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## ABSTRACT

All over the world, the invincibility of women in politics act as a limitation to the promotion of gender equality and the accomplishment of the sustainable development goals. This paper interrogates the political representation of women in Nigeria's fourth republic. It is driven by the desire to unravel the challenges faced by Nigerian women in their quest for equitable political space and its inference for sustainable development in Nigeria. The findings of the study reveal that there has been significant improvement in the lives of women in Nigeria since the return of democratic governance in 1999. It also indicates that the low representation of women in politics is largely as a result of certain socio-political, economic and cultural hindrances. The paper concludes by stating that the sustainable development goals can only be achieved with gender equality. It recommends that the Nigerian political space should be made accessible to women.

**Keywords:** *Women, Politics, Sustainable Development Goals, Gender Equality, Nigeria*

## INTRODUCTION

Political participation is generally described as activities undertaken by the large majority of the populace in the quest of shaping or influencing the political sphere. Political participation is a prerequisite of democracy and equal participation of all citizens in public affairs remains at the heart of true democratic consolidation. It is believed that when men and women actively take part in political decision making, the outcome will be a balance that truly replicates the structure of society. This will in turn augment the acceptability of the political process, making it more egalitarian and responsive to the needs of the people, thereby resulting in sustainable development.

Women constitute more than half of the world's population and have contributed greatly to sustainable human development either as mother, home manager, producer or community organiser and socio-political activist (Anifowose, 2004). Women's participation in the political and decision making process was accepted as a political right after the adoption of the United Nation's Universal Declaration of Human Right (UDHR) in 1948. Since 1948, Nigeria has been a party to numerous international instruments upholding women's rights and gender equality men (World Bank, 1994). Despite these realities, the majority of women in African countries like Nigeria have been deprived of several socio-political and economic rights and are underserved in the society. More often than not, African women are denied equal access to lucrative employment opportunities, quality education and training, and active involvement in the decision making process. In fact, all over the world, women face political, social, economic, physical and social marginalisation from their male counterparts and also remain largely inconspicuous in the decision making processes at all level of governance. In 2019, the United Nations estimated that Nigeria has a population of almost 200 million people, with women constituting more than 50% of that figure. Despite this figure, women remain largely underrepresented in politics at the various level of governance (Agishi, 2014).

This paper examines the root of gender inequality in politics, the challenges facing women in their search for equitable political space and the implication of these inequalities on sustainable development in Nigeria's fourth republic between 1999 and 2019. It is grounded on the belief that sustainable development is unattainable without gender equality in all aspect of societal life.



## **WOMEN IN POLITICS AND SOCIETY IN NIGERIA: A HISTORICAL OVERVIEW**

There is no gainsaying the fact that women have always been instrumental in the societal development of most African societies. As far back as the pre-colonial period, women have played traditional leadership roles in the societies in which they exist. During this period, women role in the society was complimentary to that of their male counterparts and the issue of gender inequality and stereotyping against women was almost non-existent as each gender performed varying roles geared towards societal development. Women were active participants in the public and political life of most pre-colonial Nigerian societies, acting as rulers and leaders of communities. They also had socio-political influence over other groups through their representatives and organizations (Afolabi, 2019). The heroic act of women like Princess Moremi of Ife, Emotan of Benin, Kambasa of Bonny, Queen Amina of Zaria, Iyalode Efunsetan Aniwura of Ibadan, Princess Inikpi of Igala provide evidence of women's leadership role in pre-colonial Nigeria (Esidene & Abdul, 2013).

Colonialism however marked the advent of gender inequality in African societies as it propagated subjugation against women (Afisi, 2010). Colonialism and its Victorian ideal however altered the status and recognition of women in the Nigerian political space relegating them to the background of societal affair and overall development (Agbaje, 2019). The Victorian family philosophy was centred on the view that a woman's role should be limited to household management. Apart from women who fought to assert and express themselves politically, women were largely invisible in Nigeria's colonial political space. People like Mrs Margaret Ekpo of the Aba women riot, Mrs Funmilayo Ransome-Kuti of the Abeokuta Women Union, Madam Efunroye Tinubu of Lagos and Egba land and Hajia Swaba Gambo of Northern Element Progressive Union (NEPU) are examples of women that achieved political feats in colonial Nigeria (Esidene and Abdul, 2013).

The acrimonious nature of post-colonial politics further promoted gender inequality in Nigeria as politics and political parties became paternalistic, ethnic allegiance and personality-based (Ikpe, 2004). During this period, women's power for collective action was lost because ethnic and party loyalty became more imperative than gender cohesion (Ikpe, 2004). Since the 1970s, gender equality has occupied a central position in development discourses, with several women groups and organisations making demands for equal participation of women in issues of societal concern. Several conferences have also been organised to advocate women rights and empowerment in the society, with these conferences bringing about positive results and socio-economic and political empowerment of women. In Africa, Ellen Johnson-Sirleaf emerged as the first female African president. In Nigeria, women are beginning to take up elective positions in National and state legislative assemblies and are getting appointed in ministerial and state commissionership appointment. In recent times, some of them have also emerged as deputy governors, speakers of state legislative assemblies and chairpersons of local government councils. There are also actively involved in the economic and social sector as managing directors and director-generals of public corporations (Afisi, 2010).

## **WOMEN AND POLITICAL PARTICIPATION IN NIGERIA'S FOURTH REPUBLIC**

In 1995, the Beijing Declaration declares that women should occupy 30% of all positions in government and government-owned institution. As a signatory to the Beijing declaration, Nigeria vow to implement this policy but still gender equality in politics continue to elude the Nigerian state. Nigeria witnessed a return to democratic governance on May 29, 1999, marking the fourth republic. The 1999 constitution conferred on every Nigerian citizen, without discrimination to sex or gender, the right to democratic governance. According to section 40 of the constitution,

Every person shall be entitled to assemble freely and associate with other persons, and in particular, he may form or belong to any political party, trade union or any other association for the protection of his interests: provided that the provisions of this section shall not derogate from the powers conferred by this constitution on the Independent National Electoral Commission with respect to political parties to which that commission does not accord recognition (Esidene & Abdul, 2013).





This period following the return to civilian rule witnessed advancement in human and women's right. After decades of military rule, it was expected that the return to democratic rule will also result to increased participation of women in the decision making process. Yet, women participation and representation in Nigerian politics are low as they are yet to occupy up to 15% of all elective political positions in the country. In 1999, out of 990 positions available at the State House of Assembly, only 12 were occupied by women. In the House of Representatives, there were only 13 women and only three female senators as against 109 male senators elected that year (Fashola, 2009). In the 2019 election, only 62 out of the 2,970 women won election in the various contested positions: 7 in Senate, 11 in the House of Representative, 4 as Deputy Governors while 40 were elected into the State House of Assembly (INEC, 2019). Since 1999, there has been no female president or vice president, neither have there been a female governor. In 1999, women managed to secure only 3% representation in contested positions, 4% in 2003, 6% in 2007, 5.6% in 2015, and 4.17% in 2019. In other words, the national average of women's participation in Nigerian politics remains 6.7% which is less than half of the 30% benchmark set by the Beijing 1995 declaration.

Despite this alarming reality caused by certain socio-cultural challenges and constraints, women have also made incredible advancement in the political development of the country. In recent times, there has been an increase in women's engagement in the political space as we now have women as deputy governors, speakers, and members of the house of assembly, ministers, commissioners, special advisers and special assistants (Erunke, 2009). Prominent women in Nigeria's fourth republic include Dr Okonjo Iweala who served as the minister of finance, Professor Dora Akunyili who served as the head of the National Agency for Food Administration and Control (NAFDAC), Aishat Ismail who served as the minister of Women Affairs and Youth Development and Kema Chikwe who was formerly appointed as the minister of transport and later transferred to the ministry of Aviation (Anifowose, 2004).

## **CHALLENGES IN WOMEN'S QUEST FOR EQUITABLE POLITICAL SPACE**

OECD (2018) sees effective women's political participation as a human rights issue and an essential element for sustainable development, peace, democratic consolidation and inclusive growth. While the Nigerian government have made substantial progresses in the last twenty years to promote gender equality and active women's participation in politics, there is still room for a lot more because Nigeria is often ranked as one of the countries with low level of women representation in the political landscape. Furthermore, despite the fact that the Nigerian constitution does not discriminate against equal participation in politics, women continually face obstacles in their quest for equitable political space. Several economic, political and socio-cultural barriers hinder women from political participation and decision making in Nigeria, creating inherent discriminatory tendencies and situational imbalances between men and women especially in patriarchal societies like Nigeria. Some of the constraints and challenges on women's political effectiveness in Nigeria include:

### **Patriarchy and Gender Role**

Patriarchy is built on male domination over women. In most African societies where patriarchy exists, women are often regarded as being subordinate to their male counterparts. They are often portrayed as being weak and incapable of making independent decisions. Across generations, the family unit plays a vital role in sustaining the patriarchal order. Children grew up and accept the different roles as laid down for them by the society. A typical African woman grows up thinking that she is inferior to her male counterpart and so should not expect to be treated equally. This is one of the greatest psychological weapons against women in Africa, for they are depicted across time and space to be capable of dealing only with trivial matters, gossiping or satisfying the men. In most of these societies, men and women have clearly defined roles that are laid down by the dominant patriarchal ideology. While the men are usually seen as breadwinners and the head of the household whose major duty involves making decision both within and outside the home, tradition continues to stress that the major role of a woman is to act as housewives and mothers and should be limited to managing the home. This patriarchal structure favours sexually segregated roles and cultural values that work against the progress, development and active participation of women in the political and decision





making process (Ikpe, 2004). These stereotypical ideas and societal view about women's leadership ability create major barriers for women and impede women's advancement in political participation. As a result of these socio-cultural traditions, most women are also reluctant to pursue their political rights as active participant and are comfortable with being relegated to the background. In cases where they run for political office, they fail to attract support from party members to win.

### **Time Constraints**

Uneven distribution of family care duties means that women spend more time at home with the children than their male counterpart. Women are also overburdened with family work and several household chores which make them busy and impede their involvement in the political activities of the country.

### **Religious Factors**

Religion constitutes another socio-cultural obstacle militating against women's participation in politics in Nigeria. For centuries, religion has been used to disregard women from various aspects of socio-political life across Africa and Nigeria. In most dominant religion like Christianity and Islam, there are arguments supporting women's inferiority to men. These religions are conventional and patriarchal in their opinions on the place of women within and outside the church. The preaching in these religions endorses patriarchy and encourages women to be agile and responsive in their domestic responsibilities to their husband. For example, 1 Corinthians 11:7-9 states:

A man has no need to cover his head because he reflects the image and glory of God. But woman reflects the glory of man, for man was not created from woman, but woman from man. Nor was man created for woman's sake but woman was created for man's sake (Good News Bible, 1976).

Furthermore, 1 Timothy 2:11-14 states:

Women should learn in silence and all humility. I do not allow them to teach or to have authority over men, they must keep quiet. For Adam was created first and then Eve, and it was not Adam who was deceived, it was the woman who was deceived and broke God's law (Good News Bible, 1976).

Like Christianity, Islam also acts as enemy to women's right encumbering the pursuit for equitable political space. Islamic law is normally inferred in a way that limits women's political activities. In Sura 4: 34, the Koran says,

Men are managers of the affairs of women because Allah has made the one superior to the other.

Like the Bible, the Holy Koran also has several passages that spoke on the submissiveness of the women to her husband, all of which are used to limit women's participation in politics.

### **Economic Hindrances**

The historical experience of Nigerian women places them at a disadvantaged position economically. There is a relationship between women's socio-economic condition and enhanced representation and participation in politics. The lack of financial resource is one of the biggest and overwhelming obstacles that stop women from actively participating in politics. Most Nigerian women are financially reliant on their husband making it difficult for them to campaign for political office. The high cost of running an effective political campaign in Africa often poses a serious impediment for women. This is largely because women's participation in politics depends on their access to paid work which gives them not only financial independence but also increased self-confidence and additional professional skills. In Africa however, a woman's access to financial resources is often determined by men which makes them ever economically dependent on men, leading to



their low presence in the political arena. As a result of their low material resources, they also lack the budget to enhance their political campaign with multidimensional activities (Agbaje, 2019).

### **Lack of Cooperation with Women's Organisation**

In as much as we blame patriarchy for the low representation of women in politics, another factor to consider is the lack of cooperation from women themselves. Nigerian women often face the challenge of garnering support from women and women organisations. Rather than promote gender cohesion, women are fond of bringing down their fellow women, which further helps to reduce their self-confidence. Furthermore, there is the proliferation of women's organisation in Nigeria which means that women are more concerned with seeking their individual economic interest than coming together towards the advancement of the status of women (Anifowose, 2004). The attitude of women towards their fellow women is often uncomplimentary, with most of them believing that politics should be left for men, unmarried women or women that are without commitment to domestic responsibilities. The lack of women gatekeepers and group consciousness also serve as limitations to effective women's political participation.

### **Other Challenges**

Another challenge faced by women in their quest for equitable political space is the lack of political vision and strength because most Nigerian women lack political literacy (Agbaje, 2019). Other constraints include colonial legacy, the lack of party support, marginal access to information, lack of political godfathers, low financial support, limited access to political networks and campaign fund raisers, intra party politics, low political education and the lack of access to well-organised education. The violent nature of politics in Africa and Nigeria also poses barrier to effective women's engagement in politics. The low representation of women in Nigerian politics is also driven by factors such as lower level of female education and employment, lack of effective government action, electoral violence, sexist attitudes and corrupt and patronage-based political system prevalent in Nigeria (Kelly, 2019).

## **IMPLICATIONS OF GENDER INEQUALITY ON SUSTAINABLE DEVELOPMENT IN NIGERIA**

Ojobo (2005) sees sustainable development at the continuous qualitative enhancement in the general standard of living of people in a society. Eneh & Nkamnebe (2011) defines sustainable development as the ability to meet the desires of the present generation without endangering the likelihoods of the future generation to meet their own wants. Sustainable development means social, environmental and economic development that guarantees ecological integrity, gender equality and social justice and the well-being and dignity of humans, both now and in the coming years (UN Women, 2014). At the heart of the 2030 Agenda for Sustainable Development and the 5<sup>th</sup> of the 17 Sustainable Development Goals (SDGs) lies gender equality (UNDP, 2018). Gender equality and women empowerment is often regarded as being essential for the attainment of sustainable human development. According to OSAGI (2001), gender equality means equal rights, chances and outcome for people irrespective of whether they were born male or female. Gbadebo et al (2018) assert that none of the three key elements of sustainable development can be accomplished without ensuring gender equality.

Marginalisation against women in Nigeria has had negative implications on sustainable development in the country. When the political process is dominated by the male folks, the decision making process is usually lopsided and does not reflect the interest of both the male and female populace. Equal participation of men and women in the decision making process is very important to achieving several of the SDGs such as the goals connected to ending poverty and hunger, promoting good health and wellbeing, ensuring quality education, reducing inequalities, addressing climate change, fostering peace, justice and strong institution among others (UNDP, 2018). Active participation of women in politics and leadership result in a society that is more inclusive, receptive and democratic (Markham 2013; Tamaru & O'Reilly, 2018).

The segregation of women from the political landscape has however deprived Nigerians of their unique capacity for leadership and governance. Marginalising women from the decision making process has also



hindered socio-political and economic development in the country and has stalled the realisation of gender equality. As a result of all these, five years after the adoption of the sustainable development goals, Nigeria is yet to achieve gender equality and accomplish any of the 17 SDGs.

## CONCLUSION AND RECOMMENDATIONS

All over the world, women have contributed to sustainable development in a myriad of ways yet they are usually excluded from decision making and politics. Equal political participation of men and women is a fundamental human right and is at the centre of women empowerment and gender equality. However, in Africa, women's role in politics and development remains generally inconspicuous or trivialised. Gross inequality between men and women therefore remains a common feature of African politics. One of the goals laid down in the Millennium Development Goal (MDG) and the Sustainable Development Goal (SDG) is the promotion of gender equality and women empowerment. The findings from the study reveal that the Nigerian political space is largely dominated by men, with women only playing supporting role. However, for any country to realise true democracy and achieve the sustainable development goals, there is need for the advancement of gender equality as the democratisation and developmental process cannot be complete without the equal and active participation of men and women in the decision making process.

The paper therefore endorses that women should engage actively in leadership and decision making process. To overcome some of the challenges faced by women in their quest for equitable political space in Nigeria's fourth republic, the paper also makes the following recommendations:

1. Any effort at improving women's participation in the decision making process should focus not only on increasing the numerical representation of women in politics but should also lay emphasis on the improvement of the quality of women's involvement through capacity building like political mentorship and training;
2. The Nigerian government should ensure that all existing gender policies are implemented to increase women's political participation;
3. Women's role in political parties should be augmented. Political parties should increase the number of women nominated for election and should make it easy for them to gain access to campaign funds;
4. Political parties should pursue a strategy of affirmative action that ensures that a minimum of 30% of party candidates are women;
5. To achieve effective participation of women in politics, women should support one another.
6. The political space should be made readily accessible to women. Politics should be seen as an even field where anyone can join irrespective of gender or social status.

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# **YOUTH AND PARALYSED DIGITAL ECONOMY ON SUSTAINABLE ECONOMIC DEVELOPMENT: CONCEPTUAL UNDERSTANDING, A CASE STUDY OF AFRICA.**

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## **ABSTRACT**

The new development of technology and global innovation has changed the world economic view and perspective. This redefines that every country has its own stability and effect on digital economy and technology depending on its investments and readiness of available human resources. Many African countries are trying to boost and push up their economic development in order to get in middle economy. However, youth always gets more challenge in adopting and using technology or digital platform hence they found in a paralysed and muted situation. In this competitive era and globalized world, every country needs and wants smart people who can run and utilize well digital devices for its global economic competition and development. This research paper has used qualitative and document analysis method in collecting data. Furthermore, the result of this paper demonstrates that more than 70% of African youth have been paralysed by digital devices because they always use digital devices in searching and sharing bad news, such as, gossiping, terrorism, internet hacking, playing games and unnecessary discussions while failing to use it in searching important things like market, new innovation and creativity. Hence the opportunity of digital economy has remained paralyzed and growing slowly. The main objective of this study is to demonstrate the role and contribution of youth on the development of sustainable digital economy.

**Keywords:** Youth, Paralysed, Digital, Economic, Development.

## **INTRODUCTION**

The development of digital technology and innovation have created both positive and negative aftermath particularly in most of developing countries. In any country youth are potential group in national economy because most of them have access to digital technology in their daily life. Therefore, they have a big contribution on national economy development if they can use well digital technologies. Moreover, Digital and online service have been mostly used by youth for non-economic gain like terrorism, greetings, playing games, unnecessary discussions and other non-economic benefits hence the opportunity of digital economy remains paralyzed and muted. Many youth in Africa has not utilized well digital economy simply because they have little knowledge and education on new technology as well as digital education. Therefore, African government needs to train its people on proper use and utilization of technology and digital devices in order to be more globally economically competitive and creative. However, the government must also create good internet infrastructure, good digital policies as well as good education curriculum in order to support and guide its users and their people.

Digital economy refers to an economy that is based on digital computing technologies. Recently the expansion of the digital zone has been a key driver of economic growth and development in general, and the shift towards a digital biosphere has effects on society that extend far beyond the digital technology. This means that modern economy needs modern technology. However, digital qualified and educated manpower are very potential tools toward global digital competition because they always use technology accordingly. In Africa and most developing countries the use of technology is not much based on positive gain this is because of poor government policies, poor internet, poor leadership, poor planning on technology national development poor digital infrastructures and lack of proper education among the users. Likewise, digital technology requires digital and educated society who are ready and able to change and move forward.

In this digital and globalized world, economic competition and innovation is higher compared to other past centuries, every nation needs to use this opportunity to enrich and become economic giant. In order to win



this game and economic war the government must handle and utilize well the available youth, because 80% of youth have access and ability to use digital internet hence it is easy for them to get involved in productions and service. This mean that the new era we are living need new and modern technology to solve its challenges and problems as well economic competition. Hence youth are supposed to be great change makers on this situation because they are many and most of them they have access and able to use internet devices but unfortunately many Africa youth has been paralyzed or changed the use of digital technology basing on their perspectives.

In this study we have demonstrated the factors which paralyses youth in economic thinking when they are using digital accessories and internet services. Furthermore, any country depends on youth economic contributions as the key and backbone of economic development.

Furthermore, young generation today are more connected and informed than any previous generation. They are believed to have fresh idea, innovative, quick, and eager for change hence young entrepreneurs are quick to explore available opportunities offered in a changing world, in particular in the rapidly changing digital economy landscape. Youth have a great influence and contribution in economic development through finding and searching e-business market and customer or products as well as getting more innovations.

Sustainable Economic Development is referred as the process of supporting something over time or continuously. Here there should be progression and growth. Communities that attain social cohesiveness and are stable with viable institutions, sustainable economies and universal access to social amenities will contribute towards economic development (Hojeghan & Esfangareh, 2011)

### **Scope of the study**

The coverage of this study is in Africa countries because every county has youth generation, likewise everywhere in the world youth are greater user and operator of digital technology in their daily life. Therefor youth are the greater victims of paralysed digital economy particularly in this innovative and technological era. Hence, this research was proposed to be in Africa countries simply because African population is dominated by youth and are greater use of digital services however they use differently.

### **Statement of the problem**

In this study, misuse of digital technology done by youth in African is the statement of the problem because it paralyses economic development thinking ideas. The world needs youth to rethink and bring new and fresh ideas through the use of internet or digital technology but youth have changed the use, currently most of youth use digital technology in non-economic issues. Likewise, African use has been impacted by technology. This research aims to investigate on the impact of technology on youth toward sustainable economic development.

### **Objective of the study**

The main objective of this study is to investigate the roles and contributions of youth on the development of digital economy also to access the challenges which faces youth when using digital technology and its impact on economy. Moreover, this research demonstrate the impacts of technology on youth basing on their contribution on individual and national development.

### **Significance of the Study**

This study has significant in awaking and reminding youth on their duty to their national and individual economic development. The study provides education to all youth about the positive utilization of internet products and services for economic gain particularly in this digital era.





## Youth with Paralyzed Digital Economy



*Figure 1. Paralyzed youth in thinking about economic by*

According to Zhan, (2017), currently the world is surrounded by many youth who uses online service and digital devices. Recently, there are many children who are going and applying online services at younger ages, however, digital technology is becoming a frustrating and time misuse platform which always confuse youth. Unfortunately, youth found them paralyzed and looking many things from internet such pornography videos even if they are under 18 years hence, they forget to find economic opportunities and gain. The development of digital economy needs capable and strategic human manpower who can copy and adopt any new changes in technology. Likewise, global economic competition needs missioned and creative people who always use their brain to think on innovation and creative by applying the new existing technology. Furthermore, in many developing countries particularly in Africa youth are not utilizing well their brain toward digital advantage, most of them they use digital devices on family, friend, gossiping and unnecessary communication while living behind market and innovation issues that results from proper utilization of technology. Hence technology has paralysed African youth toward sustainable development and global economic competition.

### RESEARCH METHODOLOGY

In collecting our research data various methods, we applied and used in this research paper in order to define and explain the research question like “Is youth can contribute to the development of digital economy? In what extend? Data was collected through both qualitative and quantitative methods like the use of numbers, statistic, as well as interview was conducted practically to few youths in order to get the exactly and accurate data as the youth group concern, questioner and data analysis which describe the research framework in general.

#### Qualitative method.

This research has used qualitative research approaches in collecting data and describing how youth in Africa continent has been paralyzed by digital devices. The study applied qualitative and descriptive tools based on focused deep interview and questionnaires. Bricki (2007) described that the qualitative research methodology is future by its aims which relate to understanding some aspects of social life and its methods. Likewise, Qualitative research seeks to interpret behaviour with the intention of assigning meaning to the particular actions of an individual or a group. According to Cohen (2013) qualitative study has an orientation to social context, and the participants usually focus on human subjectivity. This research has applied both primary and secondary data in the sake of conducting research, answering research questions and attaining research goal (Kothari, 2002)

The observation is supported by the interview of African youth from different countries. Mack et al (2005) explained that an interview is a technique designed to real picture of what is happened during the setting of the study. The information collected by this instrument helped the researchers to cross- examine some key issues in the research.



### **Document Analysis.**

Likewise, data collection method in this study has been supported by document analysis methods that is done by collecting data from social media, publications, articles, book, and news broadcasting. According to Bowen (2009) document analysis is a systematic procedure to review or evaluate document that can be taken from both printed and electronic materials.

In this study all materials related with digital or technology and sustainable development were used in getting enough information from previous authors and researches who tried to explain the situation and development of technology in the world in relation to the speed and quick development of technology and application of digital services.

Narrowing the method to the use of social media as document analysis methods, Lai & to (2015) found that social media is very suitable to be a part of document study for supporting a research. It is because social media have already become the most essential part that cannot be separated with human life because it succeeds to affects all elements of human life such as the beliefs, values, behaviors, plans, vision and attitudes of people, as well as their intentions and life style concerned with technology.

Furthermore, the research has also benefited from secondary sources such as books, journals, articles, online archival collections and online newspapers. The primary data was collected through the means of in-depth semi structured telephone interviews and a focused group discussion from different African youths. These groups were seemed to be addicted and good users of technology and digital devices. It included students and non-students group hence the research have non biased results.

### **Data Analyses**

In this study three analysis techniques have been used to examine the study, Descriptive statistics, scope and Situation have been applied. Here the effects of digital economic on youth and the role of youth on economic development have been demonstrated and analyzed while the situation shows that 80% of youth uses digital technology while only 20% contributes and think about economic service and products, this shows that how youth generation have been paralyzed by digital technology toward sustainable development and economy thinking.

Through this analysis it real and clear shows that there are many youths who can access and use digital economy but the statistic shows that only 20% utilize well they digital service on economy while the remaining group get involves in non- economic services like watching games, and pornography. The World today is swimming in complex innovative and competitions therefore the government needs to utilize and use well youth group through reminding and teaching them about the use and proper utilization of digital technology toward sustainable development.

### **RESULTS AND FINDINGS**

Through having and living in digitalized world or era, most of youth have invested more in personal and leisure life as well as personal enjoyment like watching music, live chat, watching phonograph, conducting unnecessary online discussion, playing games and sharing unethical information like terrorist issues this is very dangerous in the development of digital economy hence the economy is real paralyzed and paused, Currently every state or national depends on youth to boost and enlarge its economy.

This study has demonstrated how the role and contribution of youth can contribute more development in innovation and development of technology as well common development. In another side, when youth does not contribute and use their time and digital skills particularly in economic line they turn and change to be wound of brain because it threatens economic development particularly in this technological and competitive era.





In order to remove this challenge of parlayed economy caused by youth the government should provide friendly education to youth reminding them about the benefits of digital economy when used properly and efficiently. The development of technology is growing together with innovations and digital or internet market therefor this is the collective opportunity which need extra brain use for more individual and national gain.

According to (*Hojeghan & Esfangareh, 2011*), Digital economy is based on electronic goods and services produced by an electronic business and traded through electronic commerce, a business with electronic production and management processes and that interacts with its partners and customers and conducts transactions through Internet and Web technologies.

The 'millennial' that are entering business today have the possibility to determination rapid development of more sustainable ways of delivering products and services. To hit this potential, policy makers need to stay ahead of the game and ensure that policies, infrastructure and financing sources meet the needs of budding young entrepreneurs in the new digital economy (*Nations et al., 2017*) and (*UNCTAD, 2015*).

In this digital and globalized world, economic competition and innovation is higher compared to other past centuries, every nation needs to use this opportunity to enrich and become economic giant. In order to win this game and economic war the government must handle and utilize well the available youth, simply because 80% of youth have access and ability to use digital internet hence it is easy for them to get involved in productions and service. There is a great need to protect the competitive structures that drive innovation and to deter exclusionary behavior that prevents legitimate competition (*Unold, 2003*).

In this paper, we have outlined many of issues involved in improving our measurement of the digital economy. However, while policymakers and researchers have an ravenous taste for data, concerns about respondent burden and the resource costs of collecting data cannot be ignored (*Hojeghan & Esfangareh, 2011*)

In order to win the global digital economy competition youth and other groups must cooperate and work together so that economic development can be achieved. It is clear that the sharing economy is creating enormous amounts of wealth, and that it has been using a socially progressive feel good bombast to do so (*Frenken & Schor, 2017*).

### **Advantage and benefits of digital economy on economic development.**

In recent time most of decision making are conducted through digital technology for stance the use of BVR in sports and games. Likewise, most of government plans and decision have been decide and handed by the use of digital statistics data. All these actions aim to deliver quality, efficient and quickly provision of services. The digital economy refers to both the digital access of goods and services, and the use of digital technology to help businesses.

Technology is going to revolutionize, business, transforming virtually all aspects of the economy gains. Through the course of inquiry, we have received evidence about various aspects of the digital economy, including: digital aspects of disruptive technology, an innovation that disrupts an existing market; the sharing economy, a model that relies on the sharing of goods, intellectual resources, labour, and property using a digital platform: and flourishing digital sectors, including financial services whose business model relies on software and an algorithm-based approach to assessing risk and the gaming industry (*Martens. 2012*).

Digital technology encourages innovation and quick development. Proper and effective use of digital economy encourages innovation, new and existing players, choice and competition, in different sectors of the economy, regardless of the means of delivery or the infrastructure. The sharing economy is a term for an



emerging set of business models, platforms and exchanges (Alen & Berg, 2014) (*Daunoriene, Draksaitė, Snieska, & Valodkiene, 2015*).

In this study we realized that Government should keep and continue to support digital innovation to the youth in order to promote productivity and growth. A crucial aspect of this support is the need to measure properly the digital economy, in order to inform its digital strategy (*Martens, 2012*).

Currently, the Internet is the greatest vigorous medium of information exchange in world history. Approximately more than two billion people are now connected, and at current growth rates everyone with Internet access will join the Internet community. The global medium can provide economic growth and beneficial social change (*Hanieh, 2015*).



Figure 2. Advantage of digital economy by (*Hanieh, 2015*)

### **The Risks Of Digital Economy When Not Used Properly Led To Paralyzed Digital Economy**

The risk of digital technological to the people and government is generally very high. Digital technology causes additional effect to the people, misuse of time, Lack of patriotism, the effect of globalization, Internet effect disease among others. In another side the power of internet has caused and awakened many governments to create regulations to deal and to protect the negative of digital economy particularly in protecting government data and ethical or moral information, this rapid change has produced a counter-revolutionary response among many political and business interests. In numerous countries, leaders have called for government to interrupt the free flow of data (the essence of the Internet) at state borders and to create within political boundaries unique national regimes for regulating the Internet (*Hanieh, 2015*)

### **Way Forward In Removing Paralyzed Digital Economy**

In this study we have proposed some basic ways which can remove the paralyzed situation to the youth so that they can focus and get involved effectively in economic issues. The first vital aspect is provision of education to all youth, education is a very essential aspect in creating awareness on digital use particularly in this economic competitive and technological era. Youth generation uses digital and modern technology like e-service, laptop, and phone in their daily life activities as well as in providing products and services, hence there is a great need to educate them on digital beneficiaries.

The government should allow the free flow of information globally. Through allowing information to move freely and be stored globally it permits the capture of economies of scale and makes it possible to win the economic benefits associated with the Internet. Governments should not artificially or geographically restrict facilities and information storage (*Hanieh, 2015*)

Building a trusted environment. World-wide Internet policy and practice must promote a functioning “trusted environment” with respect to issues such as security; privacy; intellectual property rights; protection of children, consumers and personal data online; and free expression (*Hanieh, 2015*)

Every aspect of the growing sharing economy business models has been affected by the growing technology



importance (*Daunoriene et al., 2015*)

Emphasize the use of personal social media definitely blogs, website, Facebook, twitter, wikis, podcasts and virtual environments does not of itself result in new approaches to education (*OECD, 2012*)

Another way is the use of digitized information as a strategic economic resource. Its enormous potential in terms of economic growth which has been highlighted by many experts, even though a general consensus is still missing, as will be discussed below in connection with productivity and economic development in general (*Mansell, 2009; Weygand, 2008*) (*Barefoot et al., 2018*)

The government should emphasize on interactivity and communication among all people. Different scholars believe that no one can dispute that the development of the Internet deposited a whole new level of communication and interactivity amongst the younger group (*Unold, 2003*).

Provision and implementation of laws and acts on digital economy in order to avoids overcoming risk and to influence youth to utilize well digital economy. In this concept there is digital skills training for adults Section 114 commits the Government to providing publicly-funded basic digital skills training free of charge to adults in England who need it. Courses will be delivered by colleges and other adult education providers, and training will be funded from the existing £1.5 billion Adult Education Budget (AEB) (*Act, 2017*)

### **Digital Economy and Development**

Digital Economy have a great connection with development because the major motives of the use of digital economy is to boost economic development. Economic development needs positive platform as well as it requires improved competitiveness and employment creation across many sectors of the economy. Economic development is the constant increase in income of all members of society so as to be free from material need. One aspect of that challenge is to achieve development in an interdependent world, that is a world in which goods, services, people, capital and knowledge flow relatively easily across national borders with large net benefits to economies (*Department of Economic Development and Tourism, 2006*)

Digital economy, open economy, participations, creativeness and innovation, and modularity are very essential on-going development. This is according to the NDE research, to them the linkages between innovation and production is greater (*Timothy J. Sturgeon, 2017*).

Furthermore, Youth can be a positive force changer for economic development when given and provided with the knowledge and opportunities need to succeed. In addition to that, young people should acquire the education and skills needed to contribute in a productive economy, and they need access to a job market that can absorb them into its labour force. Among the greatest challenges facing many countries today are inadequate human capital investment and high unemployment rates among youth (*United Nations Population Division, 2015*).

### **CONCLUSIONS**

All in all currently, the invention of digital technology have affected many youth around the world, most of youth uses their time in digital service but for non- economic gain, most of them they keep their time on looking and accessing movies, pornography, cheating, politics and spreading bad morals to many youth leaving behind economic service and products which can benefits them and national in general such as looking market, service, products and innovations. This situation leaves the youth brains and mind paralyzed.

Likewise, the current time digital technology and innovation have globalized and influenced the world to enter in economic competition and innovation where by the currently rate is higher compared to other past centuries, every nation need to use this opportunity to enrich and become economic giant. In order to win this



game and global economic war the government must handle and utilize well the available youth, because 80% of youth have access and have ability to use digital internet hence it is easy for them to get involved in productions and service.

### **Recommendation**

This research recommend that, African country and its people need to understand the game and direction of modern technology. Likewise, African country they are supposed to create good and friendly technology policies to their people, provide education to their people on how to utilize digital devices positively with great advantage. Furthermore, global economic competition need digital society, well trained and innovative people, hence African countries they have no another option instead of utilizing and using well their people or manpower and apply technology accordingly.

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# CHILD LABOUR IN NIGERIA; CAUSES AND CONSEQUENCES FOR NATIONAL DEVELOPMENT

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## ABSTRACT

Child Labour is a great concern in many Africa countries, Nigeria inclusive in spite of legislative measures. Child labour eradication has also been recognised as a necessity for the achievement of sustainable development.

The paper reviews the factors that influence the use of child labour .The paper which argues that, at the heart of the problematic of the Child Labour is Poverty, also explains the health consequences of child labour in Nigerian children.

The paper reveals the various types of child labour, which Nigerian children engaged in. The findings also identified; illiteracy, unemployment , polygamy and others as some of the causes of child labour in Nigeria. This study underscores the need for government at all levels and development stakeholders to mainstream child labour consideration in relevant development and management policies , strategies to effectively tackle child labour and create a pathway for the elimination of child labour.

**Keywords:** *Poverty, Child Labour, Poverty, Illiteracy, Unemployment, Greed, Health*

## INTRODUCTION

The prevalence of child labour is one of the most important socio-economic problems confronting the world at large, especially developing countries such as Nigeria.(Worst Forms of Child Labour in Nigeria: An Appraisal of International and Local Legal Regimes Anthony N. Nwazuokwe , Chinedu A. Igwe published 25 March 2016) Child Labour is defined as work that is mentally, physically, socially or morally dangerous and harmful to children and deprives them of opportunities for schooling and development. According to the 2019 International Labour Organization report, there are over 168 million children between the ages of 5 and 14 working when they should not. 15 million of them are in Nigeria, which has the highest rate of working children in West Africa. In many cases, child labour is necessitated by economic compulsions of the parents. Many appalling realities like poverty, greed illiteracy, unemployment, low wages, ignorance and social prejudices. It is very common in Nigeria to see underage children engaged in manual labour in order to support their families.

Child Labour in Nigeria is the employment of children under the age of 18 in a manner that restrict or prevent them from basic education and development. (FAO, 2013) Child labour is pervasive in every state of the country. In 2006, the number of child workers was estimated at 15 million.

The U.S Department of Labour in its 2010 report claims Nigeria is witnessing the worst forms of child labour, particularly in agriculture, and domestic service. In rural areas, most children work in agriculture of products such as cassava, cocoa and tobacco. These children typically work long hours and for little pay, with their families.

The report claims some children are exposed to pesticides and chemical fertilizers in cocoa and tobacco fields because of archaic family practices and some were deployed as forced labour without protective gear.

Additionally, street children work as porters and scavengers, and a growing number of them engage in begging. The report also claims commercial sexual exploitation of children especially girls, is also occurring in some Nigerian cities, including Port Harcourt and Lagos.





## THE DIFFERENT TYPES OF CHILD LABOUR

There are many types of labour the children engage in Nigeria. They are : Agriculture, begging, transportation of heavy loads, manual Labour, begging in the streets Domestic works and Street Trading.

### Child Labourers In Agriculture

Worldwide, 60% of all child labourers in the age group 5-17 years work in agriculture, including: farming, fishing, aquaculture, forestry and livestock. Agriculture provides an early entry into work, sometimes between 5 and 7 years of age, it remains one of the dangerous sectors in terms of work-related fatalities, non-fatal accidents and occupational diseases. About 59% of all children in hazardous work aged 5-17 are in agriculture.

### Almajiri Begging System

This is a type of begging for alms that is prevalent in the northern Nigeria and practiced specifically by muslim children. In that region, muslim families send their children from their homes into major towns and cities to live with and receive quranic education from Islamic teachers called 'Malams'. These children are known as 'almajiris' has been estimated by Ministerial Committee on Madasar education in December 2010, that Nigeria has about 9.5 million almajiris.

It appears the northern states of Nigeria have a monopoly of 'bara'; young children have taken to streets, on a permanent basis, legitimizing begging on socio-economic and religious basis.

### Hawking

Hawking is one of the popular ways for Nigerian children to earn money. Many children have to travel extremely long distances for their age in order to find their buyers. In busy metropolitan places like ; Lagos, Ibadan and Port Harcourt children usually seize the opportunity of the traffic congestion to hawk nylon pure waters, snacks and drinks to travellers.

### Lifting and Carrying Of Loads

Lifting and carrying of heavy loads by children is a kind of child labour if such loads are too heavy for such children. However, many children take the job of carrying or lifting heavy loads such as; concrete, water, bags of cement and other building materials. Others do, the same factories and even at home where children lift and carry water containers for family use.

In some Nigerian tertiary institutions, children carry luggage for students to their hostels and houses respectively for a fee. The child labour is spread all over the country.

## FACTORS INFLUENCING THE SUPPLY OF CHILD LABOUR

Despite Nigeria's signing of The UN Convention on the Rights of the Child in 1999 and The African Charter on the Rights and Welfare of the Child in 2001, the rights of most Nigerian children are not respected because of the following reasons:

### Poverty

In many Africa countries, agriculture accounts for a large. Poverty is a major factor that drives child labour in Nigeria. In poor families, child labour is a major source of income for family. Nigeria is a poor nation as many of her citizens are dying due to the poverty in the country which is caused by bad and corrupt leadership. The Nigeria child is therefore a victim of the bad government. Children born in poor families are trapped in bad conditions , their parents cannot afford the school fees in schools which make them to being sent away from their homes to work and live somewhere else. The Northern part of Nigeria has the high level of poverty in the country.



Many children find themselves in a catastrophic situation and condition due to the low income of their parents. The rate of poverty in Nigeria is alarming where many children are not able to eat well. Due to that, children flock into the labour market to survive and also help their family. The Nigerian government is the root cause of the poverty in Nigeria due to their self interest.

### **High Demand For Cheap And Submissive Child Labour**

It has become the culture and attitude of employers to gain huge profits at a low cost. According to Jerome Davis, employers prefer to employ children in large numbers to labour for them in place of adults for an excessive numbers of hours. This causes many children to work under unhealthy conditions with low payment because adult wages are higher than a child's wages.

### **Illiteracy And Ignorance**

Illiteracy and ignorance contribute significantly to the causes of child labour in Nigeria due to the attitude of parents towards their children's education because labour deprives their children's education because labour deprives their children of educational opportunities simply because of what they will earn from their wages. The reason is that many of these parents are also illiterate and their illiteracy does not give them any insight into or awareness of the importance of education. Their illiteracy also influences their way of life and the number of wives and children they have. A family with a low income and wages should plan the number of children they will have in order to provide adequate maintenance for the children.

### **Polygamy**

Polygamy has been practiced since the pre-islamic age and it is legally permitted under the one condition of being able to maintain the wives and their children. The marriage might be unlawful, if the husband is incapable of properly taking care of his wife and also children unless the government or family gives monetary assistance to the spouses in order to relieve and ease their experiences. However, many Nigerian men go beyond their capacity and limits without following the rules and regulations .in such situation, in any sudden natural death or disaster.

### **Death**

Death can also be visualized as one of the causes of child labour in some countries such as Nigeria. After, the death of a biological parent, the father or mother, in some cases both at the same time. In such, a situation, children find themselves helpless organs in the family; due to the wickedness of those who are left in charge of their parents' estates. This ugly and unkind practice is rampant in some families due to their greed and the poverty which they are fighting.

## **EFFECTS OF CHILD LABOUR IN NATIONAL DEVELOPMENT**

It has been proved and widely acceptable that children must not do any work that deprives them of educational, normal, social and emotional development. One of the consequences of child labour is in health, and low intellectual development and increases in illiteracy rate. This reduces the output per person as consequence and has been able to retard National Development. Child labour also has different effect in the following areas;

### **Health**

The healthy development of children is very crucial to the future well-being of any society. Children's welfare and well-being should prevail over any activities that could endanger the child's earth such as: diseases, malnutrition, and poverty that threaten the future of children and the nation at large. Health problems are one of the major problems that are seriously and significantly affecting Nigerian children. Child labour causes health problems for the children due to the lack of a conducive environment, nutrition, clean

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water and hygienic accommodation for the children who sleep in any place or in congested places especially Nigerian children.

There are Inadequate health facilities such as: medicine, medical equipment and standard hospitals. The health and educational consequences of child labour in Nigeria cannot be over-estimated; children from 5-17 years old are economically and physically lured or even forced into performing certain tasks that are likely to harm and interfere with their health and education.

As a result of the constant fatigue, they usually suffer from lack of attention and are involved in car accidents, some of them are beaten , robbed , kidnapped and disciplined through malnutrition . Many working children are exposed to dangerous and unhealthy environments.

Child Labour therefore reinforces intergenerational cycles of poverty which undermines national economies and impedes achieving progress towards the Sustainable Development Goals (SDGs)

### **Social Effect**

Many Nigerian child labourers are smoking and dealing in drugs: either selling or consuming drugs, which is risky to their life. Children who spends time doing labor instead of with peers in social play to learn the basis of interaction are at a higher risk to developing problematic social behaviours like drug abuse and aggression. This thereby affects the overall social development of children.

In addition, they also suffer isolation and depression which often prevents them from properly building these relationships, leading to insecure adults who are also at risk for other emotional problems.

### **Education**

Education is an important tool for development of individuals and societies. Child ren as a part of education system and the adults of future are a vital importance. Child Labour lowers net primary enrollment ratios. There is a strong negative effect of child labour on school attendance.

### **CONCLUSION**

The issues examined in this article raised fundamental concerns on poverty which is the major cause of child labour in Nigeria. The Nigeria government is implore to create strategies adopted by the poor to cope with poverty vary considerably between countries and also assist the children by providing free education, shelter, food, and stipends for the children. There is a need for a country –specific approach in order to address these problems effectively. There is a need to endorse explicitly the objectives of the International Labour Organization (ILO) Convention No. 138 of 1973 concerning the Minimum Age for Admission to employment , in order to abolish effectively child labour and to raise progressively the minimum age for admission to employment or work to a level consistent with the full physical and mental development of young persons.

Social advocacy has a crucial role in raising awareness about child labour. Trade unions, the media and Non-governmental organizations have an important function in identifying and bringing to the public's attention problems of child exploitation , political will for action can be strengthened. There has been different advancement by Nigeria to make efforts to eliminate the worst forms of child labour. In 2018, the government adopted the Edo State Trafficking in Persons Prohibition Law, which codified the Edo State Taskforce for implementation. Although, Nigeria made meaningful efforts in addressing child labour, it is still rampant.

Furthermore, the most important thing is to raise people out of poverty. In 2003, the UNO provided a Convention on the protection of the rights of children. The essence of the document was to forbid children under 18 to do any of the jobs that could do harm to their physical and mental heart, hurt them emotionally or



prevent their education. Many countries of the world agreed that it was a great idea to fight child labour with the help of these regulations.

Since that time, the state has tried to regulate the situation with the child labor in the country but with little success. Even providing poor families with money so that they can send their children to schools gave only a little effect.

It is also necessary to mention that out of the 36 states, only 24 have agreed to work on the problem and try to reduce the number of working children. There should be orientation for people to stop hiring children below the minimum age and to remove children from hazardous work.

There is therefore need to establish a tailored emergency response program to meeting such needs. This will include a preventive program, which would focus on safeguarding schools, communities and playgrounds such that the children are protected from child labour, the Almajiri system must be stopped, remodeled and integrated into their educational sector, the zakkah should be properly implemented to provide permanent solution. Through such a robust and holistic approach, the rights of a child to health, life, education, development, survival, recovery and reintegration, as guaranteed under international and national law, would be progressively realized and achieved in Nigeria.

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YOUNG  
AFRICAN LEADERS  
FORUM

# LOCAL GOVERNMENT AND COMMUNITY DEVELOPMENT IN THE 21<sup>ST</sup> CENTURY: EVIDENCE FROM NIGERIA

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## ABSTRACT

The central aim of this study is to examine and highlight the role of local government in community development. Drawing evidence from Iwo Local Government Area of Osun State, Nigeria, this study brings the Nigerian political arrangement to the fore by establishing its negation of the undergrowth of community development which underscores true federalism. Relying on the General Systems theory further, this study established a linkage between local government and community development in Nigeria. Challenges such as lack of true federalism, local government autonomy, lack of funds, and under-staffing were discovered as root causes of local governments' inability and failure to initiate and consolidate community development in Nigeria. A multi-pronged approach adequately founded on true federalism should be adopted by the government to addressing these identified challenges with a view to re-positioning local governments in Nigeria on the path of community development, and national development.

**Keywords:** *Local Government, Community Development, National Development, Iwo Local Government, Nigeria.*

## BACKGROUND

The local government, being the government nearest to the rural populace, is one of the best institutions for generating motivation and encouraging mobilization for community and national development, as well as inducing the much needed wider participation of the local population in the decision-making process at the local level. As its name implies, local government, the government established for the sole purpose of directly governing the local populace is closest to the people. This means that the government at the local level is expected to be transparent and accountable to the local people for whom it was created and the provisions of the constitution ought to be reflected through the running of this tier of government. Local government autonomy means that the local government is elected at the local level and operates independently of the state and the federal government. The local government is no longer a field office of the state government.

The Nigerian National Guidelines for Reform of Local Government (1976:1) defines local government as:

“Government at (the) local level exercised through representative councils established by law to exercise specific powers within defined areas. These powers should give the councils substantial control over local affairs as well as the staff and institutional and financial powers to initiate and direct the provision of services and to determine and implement projects so as to complement the activities of the state and federal governments in their areas and to ensure through active participation of the people and their traditional institutions that local initiatives and responses to local needs and conditions are maximized.”

Realities in contemporary Nigeria have revealed the fact that local governments in the country has consistently lacked autonomy as a result of interferences from both the state and the federal government whilst remaining grossly ineffective in performing its statutory responsibility. Local government now lacks the freedom to make their own laws, rules and regulations, formulate, execute and evaluate their own plans as



well as not having the right to recruit, promote, develop and discipline its own affairs. Majority of Nigerians live in the rural communities which have failed to witness any significant development despite the strategic position of the local government occupying the scheme of affairs. Poverty has been a major problem in rural community whereby people die of incurable and contagious diseases or ailment. Farming and mining, the main occupation at the grass root level is declining and the quality of primary education has fallen. Health care delivery and accessible roads are in deplorable conditions.

Over the years, efforts have been made to reform the local government system and to increase the participation of the people (Ikelegbe, 2005). Despite these reforms, there are problems with the local government system. Some problems include insufficient funding or poor financial base to exercise complete independence from the other tiers especially in the provision of social services, lack of adequate human, material and financial resources both in terms of quantity and quality carry out its own activities. Corruption, poverty, mismanagement of funds and lack of autonomy in spite of development plans in Nigeria which dates back as far as 1946, still persist in 2020. These challenges have led to underdevelopment in local government in Nigeria.

Against the backdrop of the challenges of underdevelopment in Nigeria's local government, this study seeks to answer two questions; first, how has local government been able to perform its developmental roles in the midst of the daunting challenges posed by lack of autonomy, funds and personnel; secondly, what can be done to ensure and emplace local governments' footing on the path of sustainable community and national development. This study focuses on Iwo Local Government Authority of Osun State, Nigeria as a thematic case-study.

## **CONCEPTUAL AND THEORETICAL FRAMINGS OF THE STUDY**

There is a widespread agreement among development practitioners, government officials and scholars that local government plays an increasingly proactive and important role in participatory community development. The World Development Report (2003), for instance, strongly supports devolution for making service delivery work for the poor. A number of scholarly books, articles and panels at conferences have dealt with the growing importance of local government as providers of local services, valuable partners in community development arena and a successful laboratory for local democracy (Sisk et al., 2001; Forbrig 2011; Rondinelli 2006). The role of local government in rural development will be examined extensively, and subjected to theoretical test in order to arrive at logical theoretical positions on the role or otherwise of local government in community and national development in Nigeria, and add to the corpus of rich literature on local government studies, intergovernmental relations, federalism, and development studies and their inherent intersections.

## **LOCAL GOVERNMENT AND COMMUNITY DEVELOPMENT**

Communal effort has not been a recent phenomenon. It dates back to the time of primitive communalism where people searched for their living communally in the early state of man; they always sought ways of conquering nature. The reality of Bentham's assertion that community development is a man in the society can be sustained by the fact that communities throughout history constructed and maintained their roads, bridges, and squares, sunk their wells for good drinking water, constructed their market village halls by community effort.

Adamolekun (2002) in his own contribution argues that though local government is a veritable vehicle for community development, most local government have not made appreciable impacts in the direction. He directed the problem to the myriad of functions allocated to local government without commensurate financial banking. Adamolekun (Ibid) attributed the low performance of local government to the following factors: inadequate revenue, low executive capacity, poor and inadequate working materials, incompetence and ineptitude of existing staff and excessive control by the state government which results in delays and red-tapism. The solution he suggested lies in the review of local government system particularly in areas of



financial relationship with the state government and personnel.

The concept of community development is based on faith in the ability of people to learn how to help them attain an improved standard of living by building better community taking a step at a time. Lowndes & Sullivan (2004) posit that there is no precise and generally accepted definition of community development. Notwithstanding, Adamolekun (2002) argues that the 1979 local government reform facilitated what is known as the meaning of community development in Nigeria. For him, community development is made in order to facilitate significant increasing employment opportunities in rural communities; community development is therefore, not only restricted to community project but also include;

- Finding effective ways of stimulating helping and teaching people to adopt new methods and to learn skills.
- Ensuring the preservative of the community.

Community development fundamentally involves a series of actions and decisions that improves the situation of a community, not just economically, but as strong functioning community (Cavaye, 2003). By logic, Community Development is taken to mean in this study process of education by which people of all ages and interest in the community, learn to share their thoughts, their ideas, the participation, their joys and their sorrows with a view to molding and shaping their communal destiny for themselves. It is a process of self-discovery as people of a community learn to identify and solve their community problems.

### **THE THEORETICAL FRAME OF THE STUDY**

The validity of the systems theory as propounded by David Easton makes its adoption for the theoretical analysis of this study empirically logical. David Easton was the first political scientist to develop a system framework for political analysis (Easton, 1965). Extrapolated from the biological sciences, a system can be seen as a set of interrelated elements or a set of inter-dependent variables; while a political system on the other hand, can be seen as a “system of interactions in any society through which binding or authoritative allocations are made” (Ball, 1983, cited in Epelle, 2003). The general systems theory seeks to argue that every system, including political system, has subsystems which make up the entire system. They are assigned functions and provided with enabling empowerment, including resources, appropriate authority etc. to enable them discharge their responsibilities optimally. Where this is the case, there is said to be homeostasis (stability) in the political system. On the other hand, instability reigns in the political system where the contrary is the case and then subsystems and entire system are also unable to function optimally. Input and output analysis of a political system is very important. A political system is said to obtain its inputs (demands, supports, liberty or autonomy, cooperation, criticisms, resources, information, direct labour, etc.) from the environment. These inputs are what the subsystems employ to discharge their responsibilities, so that the political system can send out its outputs into the environment and obtain further inputs for its operation.

In practice, the local government system in the country constitutes the sub-system. The sub-systems are expected to be well-handled in terms of provisions of adequate inputs, so that they could be able to contribute accordingly to the optimality of the whole, that is, country's political system, as well as its political homeostasis. According to Easton (1965), every political system has two elements, viz; the input made up of demand support, and then, the output (made up of authoritative decisions). By input, factors which emanated from the environment and go into decision making are being referred to. They are those demands that come out from the society while outputs are results that emanate from the demand and support made at the level of input. Iwo local government council is a system which carries out these functions by receiving inputs from the people whilst converting them into outputs. The citizens are involved in such demands above. This demand on the system is in several forms of appeal to the council authority to provide some basic infrastructure like good road network, pipe borne water, health facilities, ultra-modern markets etc. Support on the other hand could be people's participation in decision making process or voting in community development project as well as financial support, in form of tax, rates paid by the people including grant from Delta State and Federal Government of Nigeria. Though, this means they provide raw material on which the



system acts, so as to produce output. This in turn will influence the environment of the system and consequently generate continued demand which in turn creates a feedback and the whole process continues on a cyclical pattern.

Wunsch & Olowu (1990) opine that system theory is necessary to explain community development at local level. The general systems theory requires that every local government has a purpose, goal or objective in achieving better performance through excellent community development. Furthermore, the author elaborates citizen's performance needs to be measured against the stated objectives. Citizens' participation in community development must follow all the requirements and procedures by government at local level for effective involvement. While expectancy theory is an alternative approach that assumes citizens' have a variety of goals and strength of their preferences to achieve their target in community development (Wunsch & Olowu 1990). Invariably, the people's motivation in a community development will depend, among others, on the extent to which they expect a certain activity lead to some degree of satisfaction. For instance if they think that participating in community development will lead to a greater productivity, they will participate more in all the activities carried out by government. According to the authors, key to motivation is affording citizens some opportunity to achieve their desired goals and making clear what activities or efforts on the job they can reasonably expect to lead to attainment of these goals.

There are four factors that influence community development that would give big impact in bringing an excellent local government. This paper has documented four factors such as self-motivation, socio-economic status, greater awareness and opportunity for participation.

Self-motivation is one of the most critical factors that would influence community development in order to establish successful local government in Malaysia. This factor is important to help local governments to excel in community development. Self-motivation is essential to encourage the environment to support and participate in achieving the community development goals effectively. Those who are having a very high self-motivation would be able to influence their communities to involve actively in delivery of community development services. By having this factor, the tendency to nurture better local government is very high at local level. Individuals with higher level of socio-economic status would show more excitement in participating activities organized by local government. They would also help the local government in achieving their targets in community development. Opportunity for participation would be the third factor influencing community development in implementing successful local government. Local government is able to organize and implement various activities and programs for the local people to achieve the objectives in order to develop the community. Besides that, local government also encourages people to participate in decision making process by engaging in extensive partnership with local government officers with increasingly more sophisticated skills and experience. It is difficult to analyze the community development activities as the diversity of experiences among the stakeholder. Therefore, providing opportunity for participation to the people would be effective increasing the range of activities undertaken by local government.

Greater awareness is also an important factor in community development. Local government identifies specific program attributes that may directly influence community development outcome and impacts. For that, local governments attempt to identify defined mission, vision, adequate resources and community support to generate greater awareness among the public. This would help the local government actively plan for a critical successful community development in the future. Community development is the domain that would influence delivery of community development services. Community development is difficult to measure. Thus, it is important that the following are answered:

- Determine the level of community development and its services by local government.
- Whether there is a gap between perceived demand and delivery of community development services.
- Whether there is a gap between stakeholders' expectations and delivery. Any mismatch between the



two would imply dissatisfaction among stakeholders towards community development activities.

### ADOPTED METHODOLOGY

A research design is a systematic plan to study a scientific problem. The design of a study defines the study type (descriptive, correlational, semi-experimental, experimental, review, meta-analytic) and sub-type (e.g., descriptive-longitudinal case study), research question, hypotheses, independent and dependent variables, experimental design, and, if applicable, data collection methods and a statistical analysis plan. Research design is the framework that has been created to seek answers to research questions. The research study covers 10 wards in Iwo local government area namely Gidigbo i, Gidigbo ii, Isale oba I, Isale oba ii, Molete I, Molete ii, Oke Adan I, Oke Adan ii, Oke Oba I, Oke oba ii. The research will strictly cover citizens who are resident in Iwo local government.

In order to collect unbiased sampled data, we adopted the simple random sampling method due to its suitability in sampling a large population as that of this study. In order to ensure credibility of information obtained, individual units were picked up from the whole ward not deliberately but based on simple random sampling. Since it would be practically impossible to collect data from the entire population of the study, a sample-size of fifty (50) was determined using the simple random sampling. Questionnaires were thus administered evenly among fifty (50) respondents in ten political wards in Iwo local government.

Analytically, all elicited data are analysed using the content analysis method, and where necessary, simple and cumulative percentages.

**Table 1.1 showing the administration of questionnaires in the study area, Iwo local government.**

| POLITICAL WARDS (IN IWO L.G AREA) | NUMBER OF QUESTIONNAIRE ADMINISTERED |
|-----------------------------------|--------------------------------------|
| Gidigbo i                         | 05                                   |
| Gidigbo ii                        | 05                                   |
| Isale oba i                       | 05                                   |
| Isale oba ii                      | 05                                   |
| Molete i                          | 05                                   |
| Molete ii                         | 05                                   |
| Oke adan i                        | 05                                   |
| Oke adan ii                       | 05                                   |
| Oke oba i                         | 05                                   |
| Oke oba ii                        | 05                                   |
| <b>Total</b>                      | <b>50</b>                            |

*Source: Researchers' Compilation, 2019.*

### ANALYSIS OF FIELD-DATA

Here data (See Appendix A for the dataset) elicited from respondents through the instrumentality of questionnaire are comprehensively analyzed in accordance to the stated research objectives of the study.

#### **Research Question One: What is the role of Local Government in Community Development?**

Extent literature and data from the field establish that local governments really do have roles to play in community development. This explains why 17 (34.0%) of the responses from the respondents agree that Iwo local government has done wonderfully well when it comes to community development, with 11 (22.0%) disagreeing, while 14 (28.0%) strongly disagree, and 8 (16.0%) strongly agree. This indicates that relatively more than half percent of the respondents agree that local governments have roles to play in community development. Again, from the responses of the respondents as to whether provision of





infrastructures in Iwo local government has been paramount in the priorities of Iwo local government, 10 respondents representing (20.0%) of the entire 50 respondents (100%) disagree, while 14 (28.0%) strongly disagree, 17 (34.0%) agree and 9 (18.0%) strongly agree respectively. This indicates that the larger percent of the respondents agree that provision of basic infrastructure is paramount as far as community development by the Iwo local government is concerned.

In terms of provisions of social amenities on the other end, 26 (52.0%) agree that there is, take for an instance, adequate power supply in Iwo local government while 20 (40.0%) disagree, 3 (6.0%) strongly disagree, and 1 (2.0%) strongly agree. This indicates that the larger percent of the respondents agree that there is adequate power supply in Iwo local government as part of the rural development.

### **Research Question Two: Has local government been able to provide infrastructural facilities for people at the grass root level?**

On the question of infrastructural facilities in Iwo local government area, majority of the respondents alluded to the fact that to a great extent, Iwo local government has been able to meet the infrastructural needs of the people. Although, responses elicited suggest that there are areas the local government area is still lagging behind in terms of infrastructural facilities, feelings of satisfactions could be deduced from the responses of the residents (respondents) of Iwo local government. This reflected in the elicited data, with 5 respondents (10.0%) disagreeing that Iwo local government has been able to provide the required infrastructural facilities within the local community. 10 respondents representing (20.0%) of the elicited data strongly disagree whilst 13 respondents (26.0%) agree and 22 respondents (44.0%) strongly agree that the Iwo local government has been able to meet the infrastructural needs of the rural community. This implies that majority of the respondents strongly agree that infrastructures such as health centers, pipe-borne water and others have consistently been provided in Iwo local government. With regards to provision of infrastructure like bore hole, 11 respondents (22.0%) disagree, 14 respondents (28.0%) strongly disagree, 24 (48.0%) agree and 1 (2.0%) strongly agree. This indicates that larger percent of the respondents which is 24 (28.0%) strongly agree that infrastructures like bore hole have consistently been provided in Iwo local government. In the aspect of good road, 25 respondents representing (50.0%) of the elicited data on the theme under consideration strongly agree that infrastructures like good road have consistently been provided in Iwo local government while 11 respondents (22.0%) disagree, 9 (18.0%) strongly disagree, 5 (10.0%) agree and. This indicates that major percent of the respondents strongly agree that infrastructures like good road have consistently been provided in Iwo local government.

### **Research Question Three: What level of mobilization of the citizen is required in the course of rural development?**

From the responses of the respondents, (42.0%) of the entire respondents strongly agree that Iwo local government council brings up programs that promote quality health care delivery in the community. This reveals that the major percent of the respondents strongly agreed. 17 (34.0%) agree that Iwo local government has been partnering with other organization to improve delivery of basic amenities in the community, 9 (18.0%) disagree, 16 (32.0%) strongly disagree, and 8 (16.0%) strongly agree. This indicates that the larger percent of the respondents agree that Iwo local government has been partnering with other organization to improve delivery of basic amenities in the community, 22 (44.0%) agree that Iwo local government council has brought up programs that promoted quality education in the community, 8 (16.0%) disagree, and 12 (24.0%) strongly agree. This shows that the majority of the population agrees that Iwo local government council has brought up programs that promoted quality education in the community. 17 (34.0%) agree that Iwo local government council brings up programs to enable youths in the community acquires basic entrepreneur skills. 20 (40.0%) disagree that Iwo local government council has in their best ways bring up programs to eradicate poverty in the community, 8 (16.0%) strongly disagree, 15 (30.0%) agree and 7 (14.0%) strongly agree. This reveals that the major percent of the respondents strongly disagree that Iwo local government council has in their best ways bring up programs to eradicate poverty in the community.



#### **Research Question Four: What can be done to ensure sustainable rural development through local government in Iwo local government council?**

From the above analysis, 18 respondents (36.0%) agree that empowering the community is also a way by which the administration of Iwo local government can improve community development, 8 (16.0%) disagree, 13 (26.0%) strongly disagree, and 11 (22.0%) strongly agree. This reveals that the major percent of the respondents agreed. With regards to involving people in the rural area in the decision making in order to promote effective rural development, 21 (42.0%) agree that local government council of Iwo should involve the people in the communities in their decision making so as to promote effective rural development, 12 (24.0%) disagree, 13 (26.0%) strongly disagree, and 4 (8.0%) strongly agree. This shows that the larger percent of the respondents agree that the local government council of Iwo should involve the people in the communities in their decision making so as to promote effective rural development, 27 (54.0%) agree that Iwo local government should put corruption to a minimum bay by the local government council leadership, 15 (30.0%) agree that the Management of Iwo local government should be more pragmatic and proactive in discharging its responsibilities.

#### **CONCLUSION**

Conclusively, it has been revealed in this study that local government authorities are multipurpose bodies responsible for delivering a broad range of services in relations to roads, traffic, planning housing, economic and community development, recreation and amenity and provision of necessary services to the communities they represent and serve. Local government retains the role of promoting the well-being and quality of life of citizens and communities through the efficient performance of functions and delivery of good value services at local and grassroots levels.

#### **RECOMENDATIONS**

This study, by way of strengthening the local government as agents of community development, recommends that, first, Government must strive to maintain a balanced development strategy both in urban and rural areas of the entire state to minimize rural-urban migrations which also account, among other factors, for the over-population of the urban and the concomitant high crime rate.

Also, the functioning of local government at the grassroots is becoming increasingly challenging. As a result, there is need for the central government to increase the local government allocation and ensure the direct and unhindered access of local governments to their statutory allocations. This will prevent the increasingly unnecessary interventions of the state government in the statutory allocations of local governments within their jurisdictions. Similarly, local governments may also need to diversify their sources of internal revenue by engaging in some revenue-generating services different from their statutory responsibilities.

Finally, it is important to mention the degree to which these policies are implemented is the degree to which local government begins to function rightly within the Nigerian state. Therefore, for the collective development of various grassroots communities in Nigeria, there is need for the implementation of policies that would raise the bars of local government service delivery in terms of autonomy and functionality in Nigeria. The incoming successes and promises local autonomy holds are therefore hinged on the execution of substantive policies that will enable local authorities function rightly in their community development and governance responsibilities.

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## DATASET

## APPENDIX A

This Appendix depicts data elicited from the responses of the respondents through the use of questionnaire. A total of fifty questionnaires were administered to the respondents in which all was properly filled and used for analysis.

**Table 1.1 Sex Distribution of the respondent**

|        | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------|-----------|---------|---------------|--------------------|
| Male   | 26        | 52.0    | 52.0          | 52.0               |
| Female | 24        | 48.0    | 48.0          | 100.0              |
| Total  | 50        | 100.0   | 100.0         |                    |

*Source: Author Field Survey, 2020.*

The above table shows the sex distribution of the respondent where 26 (52.0%) are male and 24 (48.0%) are female. This shows that larger percent of the population are male.

**Table 1.2 Age Distribution of the respondent**



|             | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|-----------|---------|---------------|--------------------|
| Under 18    | 6         | 12.0    | 12.0          | 12.0               |
| 18-25 years | 13        | 26.0    | 26.0          | 38.0               |
| 26-30 years | 8         | 16.0    | 16.0          | 54.0               |
| 31-35 years | 7         | 14.0    | 14.0          | 68.0               |
| 36-40 years | 7         | 14.0    | 14.0          | 82.0               |
| 41-45 years | 4         | 8.0     | 8.0           | 90.0               |
| 46-50 years | 5         | 10.0    | 10.0          | 100.0              |
| Total       | 50        | 100.0   | 100.0         |                    |

*Source: Author Field Survey, 2020.*

The above table shows the age distribution of the respondents where 6 (12.0%) are of 18 years, 13 (26.0%) are of 18-25 years, 8 (16.0%) are of 26-30 years, 7 (14.0%) are of 31-35 and 36-40 years, while 4 (8.0%) are of 41-45 years and 5 (10.0%) are of 46-50 years. This indicates that the question was administered regardless of age difference.

**Table 1.3 Distribution of the respondent by their Marital Status**

|           | Frequency | Percent | Valid Percent | Cumulative Percent |
|-----------|-----------|---------|---------------|--------------------|
| Single    | 6         | 12.0    | 12.0          | 12.0               |
| Married   | 17        | 34.0    | 34.0          | 46.0               |
| Divorced  | 12        | 24.0    | 24.0          | 70.0               |
| Separated | 15        | 30.0    | 30.0          | 100.0              |
| Total     | 50        | 100.0   | 100.0         |                    |

*Source: Author Field Survey, 2020.*

The above table shows the distribution of the respondents by their marital status where 6 (12.0%) are single, 17 (34.0%) are married, 12 (24.0%) are divorced, and 15 (30.0%) are separated. This indicates that majority of the respondents are Married.

**Table 1.4 Religion Distribution of the respondent**

|           | Frequency | Percent | Valid Percent | Cumulative Percent |
|-----------|-----------|---------|---------------|--------------------|
| Christian | 19        | 38.0    | 38.0          | 38.0               |
| Muslim    | 21        | 42.0    | 42.0          | 80.0               |
| Others    | 10        | 20.0    | 20.0          | 100.0              |
| Total     | 50        | 100.0   | 100.0         |                    |

*Source: Author Field Survey, 2020.*



The above table shows the religion distribution of the respondents where 19 (38.0%) are Christian, 21 (42.0%) are Muslim, 10 (20.0%) are Others. This indicates that majority of the population are Muslim.

**Table 1.5 Distribution of the respondent by their Level of Education**

|               | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------|-----------|---------|---------------|--------------------|
| SSCE          | 5         | 10.0    | 10.0          | 10.0               |
| NCE/OND       | 12        | 24.0    | 24.0          | 34.0               |
| HND/B.sc/M.sc | 20        | 40.0    | 40.0          | 74.0               |
| Others        | 13        | 26.0    | 26.0          | 100.0              |
| Total         | 50        | 100.0   | 100.0         |                    |

*Source: Author Field Survey, 2020*

The above table shows the distribution of the respondents by their level of education where 5 (10.0%) have SSCE, 12 (24.0%) have NCE/OND, 20 (40.0%) have HND/B.sc/M.sc and 13 (26.0%) are of No formal education. This reveals that major percent of the respondents have HND/B.sc/M.sc.

**Table 1.6 Iwo local government council has done wonderfully well when it comes to rural development?**

|                   | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Strongly Disagree | 11        | 22.0    | 22.0          | 22.0               |
| Disagree          | 14        | 28.0    | 28.0          | 50.0               |
| Agree             | 17        | 34.0    | 34.0          | 84.0               |
| Strongly Agree    | 8         | 16.0    | 16.0          | 100.0              |
| Total             | 50        | 100.0   | 100.0         |                    |

*Source: Author Field Survey, 2020*

The above table shows the distribution of the respondents on if Iwo local government has done well when it comes to rural development where 11 (22.0%) disagree, 14 (28.0%) strongly disagree, 17 (34.0%) agree and 8 (16.0%) strongly agree. This shows that larger percent of the respondents agree that Iwo local government has done wonderfully well when it comes to rural development.



**Table 1.7 Rural development in Iwo local government has been consistent?**

|                   | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Strongly Disagree | 10        | 20.0    | 20.0          | 20.0               |
| Disagree          | 20        | 40.0    | 40.0          | 60.0               |
| Agree             | 15        | 30.0    | 30.0          | 90.0               |
| Strongly Agree    | 5         | 10.0    | 10.0          | 100.0              |
| Total             | 50        | 100.0   | 100.0         |                    |

*Source: Author Field Survey, 2020*

The above table shows the distribution of the respondents on if Rural development in Iwo local government has been consistent where 10 (20.0%) disagree, 20 (40.0%) strongly disagree, 15 (30.0%) agree and 5 (10.0%) strongly agree. This indicates that majority of the population strongly disagreed.

**Table 1.8 Provision of basic infrastructures by the Iwo local government council is paramount as part of the rural development?**

|                   | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Strongly Disagree | 10        | 20.0    | 20.0          | 20.0               |
| Disagree          | 14        | 28.0    | 28.0          | 48.0               |
| Agree             | 17        | 34.0    | 34.0          | 82.0               |
| Strongly Agree    | 9         | 18.0    | 18.0          | 100.0              |
| Total             | 50        | 100.0   | 100.0         |                    |

*Source: Author Field Survey, 2020*

The above table shows the distribution of the respondents on if provision of infrastructures in Iwo local government is paramount as part of rural development where 10 (20.0%) reveals that major percent of the respondents agreed that provision of basic infrastructure is paramount as part of rural development by the Iwo local government council.

**Table 1.9 Provision of health delivery services by Iwo local government council is paramount as part of the rural development?**

|                   | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Strongly Disagree | 17        | 34.0    | 34.0          | 34.0               |
| Disagree          | 10        | 20.0    | 20.0          | 54.0               |
| Agree             | 17        | 34.0    | 34.0          | 88.0               |
| Strongly Agree    | 6         | 12.0    | 12.0          | 100.0              |
| Total             | 50        | 100.0   | 100.0         |                    |

*Source: Author Field Survey, 2020*



The above table shows that 17 (34.0%) strongly disagree, 10 (20.0%) disagree, 17 (20.0%) agree and 6 (12.0%) strongly agree. This implies that larger percent of the population disagree that there is provision of health services is paramount as part of rural development in Iwo local government.

#### 1.10 Adequate power supply by Iwo local government council is paramount as part of the rural development?

|                   | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Strongly Disagree | 20        | 40.0    | 40.0          | 40.0               |
| Disagree          | 3         | 6.0     | 6.0           | 46.0               |
| Agree             | 26        | 52.0    | 52.0          | 98.0               |
| Strongly Agree    | 1         | 2.0     | 2.0           | 100.0              |
| Total             | 50        | 100.0   | 100.0         |                    |

Source: Author Field Survey, 2020

The above table shows the distribution of the respondents on if there is adequate power supply as part of rural development in Iwo local government where 20 (40.0%) disagree, 3 (6.0%) strongly disagree, 26 (52.0%) agree and 1 (2.0%) strongly agree. This shows that larger percent of the respondents agree that there is adequate power supply in Iwo local government as part of the rural development.

#### Table 1.11 Infrastructures like bore hole has consistently been provided by the Iwo local government council?

|                   | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Strongly Disagree | 11        | 22.0    | 22.0          | 22.0               |
| Disagree          | 14        | 28.0    | 28.0          | 50.0               |
| Agree             | 24        | 48.0    | 48.0          | 98.0               |
| Strongly Agree    | 1         | 2.0     | 2.0           | 100.0              |
| Total             | 50        | 100.0   | 100.0         |                    |

Source: Author Field Survey, 2020

The above table shows the distribution of the respondents on if infrastructures like bore hole have consistently been provided in Iwo local government where 11 (22.0%) disagree, 14 (28.0%) strongly disagree, 24 (48.0%) agree and 1 (2.0%) strongly agree. This indicates that majority of the respondents strongly disagree that infrastructures like bore hole have consistently been provided in Iwo local government.





**Table 1.12 Infrastructures like good road have consistently been provided by Iwo local government council?**

|                   | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Strongly Disagree | 11        | 22.0    | 22.0          | 22.0               |
| Disagree          | 9         | 18.0    | 18.0          | 40.0               |
| Agree             | 5         | 10.0    | 10.0          | 50.0               |
| Strongly Agree    | 25        | 50.0    | 50.0          | 100.0              |
| Total             | 50        | 100.0   | 100.0         |                    |

*Source: Author Field Survey, 2020*

The above table shows the distribution of the respondents on if infrastructures like good road have consistently been provided in Iwo local government where 11 (22.0%) disagree, 9 (18.0%) strongly disagree, 5 (10.0%) agree and 25 (50.0%) strongly agree. This shows that majority of the population strongly agree that infrastructures like good road have consistently been provided in Iwo local government.

**Table 1.13 Infrastructures like health centers are readily provided by Iwo local government council?**

|                   | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Strongly Disagree | 5         | 10.0    | 10.0          | 10.0               |
| Disagree          | 10        | 20.0    | 20.0          | 30.0               |
| Agree             | 13        | 26.0    | 26.0          | 56.0               |
| Strongly Agree    | 22        | 44.0    | 44.0          | 100.0              |
| Total             | 50        | 100.0   | 100.0         |                    |

*Source: Author Field Survey, 2020*

The above table shows the distribution of the respondents on if infrastructures like health centers have consistently been provided in Iwo local government where 5 (10.0%) disagree, 10 (20.0%) strongly disagree, 13 (26.0%) agree and 22 (44.0%) strongly agree. This implies that major percent of the respondents strongly agree that infrastructures health centers have consistently been provided in Iwo local government.

**1.14 One of the factors militating against the performance of Iwo local government council on rural development is bad governance?**

|                   | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Strongly Disagree | 16        | 32.0    | 32.0          | 32.0               |
| Disagree          | 16        | 32.0    | 32.0          | 64.0               |
| Agree             | 14        | 28.0    | 28.0          | 92.0               |
| Strongly Agree    | 4         | 8.0     | 8.0           | 100.0              |
| Total             | 50        | 100.0   | 100.0         |                    |

*Source: Author Field Survey, 2020*



The above table shows that 16 (32.0%) disagree, 14 (28.0%) agree, and 4 (8.0%) strongly agree. This indicates that majority of the population strongly disagree that one of the factors militating against the performance of Iwo local government council on rural development is bad governance.

### 1.15 Another factors militating against the performance of Iwo local government council on rural development is negligence of duty on the part of government?

|                   | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Strongly Disagree | 20        | 40.0    | 40.0          | 40.0               |
| Disagree          | 14        | 28.0    | 28.0          | 68.0               |
| Agree             | 13        | 26.0    | 26.0          | 94.0               |
| Strongly Agree    | 3         | 6.0     | 6.0           | 100.0              |
| Total             | 50        | 100.0   | 100.0         |                    |

*Source: Author Field Survey, 2020*

The above table shows that 20 (40.0%) disagree, 14 (28.0%) strongly disagree, 13 (26.0%) agree and 3 (6.0%) strongly agree. This reveals that larger percent of the respondents strongly disagree that another factors militating against the performance of Iwo local government council on rural development is negligence of duty on the part of government.

### 1.16 Iwo local government council brings up programs that promote quality health care delivery in the community?

|                   | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Strongly Disagree | 17        | 34.0    | 34.0          | 34.0               |
| Disagree          | 7         | 14.0    | 14.0          | 48.0               |
| Agree             | 5         | 10.0    | 10.0          | 58.0               |
| Strongly Agree    | 21        | 42.0    | 42.0          | 100.0              |
| Total             | 50        | 100.0   | 100.0         |                    |

*Source: Author Field Survey, 2020*

The above table shows that 17 (40.0%) disagree, 7 (14.0%) strongly disagree, 5 (10.0%) agree and 21 (42.0%) strongly agree. This shows that major percent of the respondents strongly agree that Iwo local government council brings up programs that promote quality health care delivery in the community.



**Table 1.17 Iwo local government has been partnering with other organization to improve delivery of basic amenities in the community?**

|                   | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Strongly Disagree | 9         | 18.0    | 18.0          | 18.0               |
| Disagree          | 16        | 32.0    | 32.0          | 50.0               |
| Agree             | 17        | 34.0    | 34.0          | 84.0               |
| Strongly Agree    | 8         | 16.0    | 16.0          | 100.0              |
| Total             | 50        | 100.0   | 100.0         |                    |

*Source: Author Field Survey, 2020*

The above table shows that 9 (18.0%) disagree, 16 (32.0%) strongly disagree, 17 (34.0%) agree and 8 (16.0%) strongly agree. This implies that larger percent of the respondents agree that Iwo local government has been partnering with other organization to improve delivery of basic amenities in the community.

**Table 1.18 Iwo local government council has brought up programs that promoted quality education in the community?**

|                   | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Strongly Disagree | 8         | 16.0    | 16.0          | 16.0               |
| Disagree          | 8         | 16.0    | 16.0          | 32.0               |
| Agree             | 22        | 44.0    | 44.0          | 76.0               |
| Strongly Agree    | 12        | 24.0    | 24.0          | 100.0              |
| Total             | 50        | 100.0   | 100.0         |                    |

*Source: Author Field Survey, 2020*

The above table shows that 8 (16.0%) disagree, 22 (44.0%) agree and 12 (24.0%) strongly agree. This reveals that majority of the population agree that Iwo local government council has brought up programs that promoted quality education in the community.

**Table 1.19 Iwo local government council brings up programs to enable youths in the community acquires basic entrepreneur skills?**

|                   | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Strongly Disagree | 8         | 16.0    | 16.0          | 16.0               |
| Disagree          | 14        | 28.0    | 28.0          | 44.0               |
| Agree             | 17        | 34.0    | 34.0          | 78.0               |
| Strongly Agree    | 11        | 22.0    | 22.0          | 100.0              |
| Total             | 50        | 100.0   | 100.0         |                    |

*Source: Author Field Survey, 2020*



The above table shows that 8 (16.0%) disagree, 14 (28.0%) strongly disagree, 17 (34.0%) agree and 11 (22.0%) strongly agree. This shows that majority of the respondents agree that Iwo local government council brings up programs to enable youths in the community acquires basic entrepreneur skills.

**Table 1.20 Iwo local government council has in their best ways bring up programs to eradicated poverty in the community?**

|                   | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Strongly Disagree | 20        | 40.0    | 40.0          | 40.0               |
| Disagree          | 8         | 16.0    | 16.0          | 56.0               |
| Agree             | 15        | 30.0    | 30.0          | 86.0               |
| Strongly Agree    | 7         | 14.0    | 14.0          | 100.0              |
| Total             | 50        | 100.0   | 100.0         |                    |

*Source: Author Field Survey, 2020*

The above table shows that 20 (40.0%) disagree, 8 (16.0%) strongly disagree, 15 (30.0%) agree and 7 (14.0%) strongly agree. This implies that larger percent of the population strongly disagree that Iwo local government council has in their best ways bring up programs to eradicated poverty in the community.

**Table 1.21 Gaining more understanding of the people in the Community is a ways in which the administration of Iwo local government can be improved towards community development?**

|                   | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Strongly Disagree | 15        | 30.0    | 30.0          | 30.0               |
| Disagree          | 13        | 26.0    | 26.0          | 56.0               |
| Agree             | 8         | 16.0    | 16.0          | 72.0               |
| Strongly Agree    | 14        | 28.0    | 28.0          | 100.0              |
| Total             | 50        | 100.0   | 100.0         |                    |

*Source: Author Field Survey, 2020*

The above table shows that 15 (30.0%) disagree, 13 (26.0%) strongly disagree, 8 (16.0%) agree and 14 (28.0%) strongly agree. This indicates that majority of the respondents strongly disagree that gaining more understanding of the people is a way in which the administration of the Iwo local government can be improved.



**Table 1.22 Empowering the community is also a way by which the administration of Iwo local government can improve community development?**

|                   | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Strongly Disagree | 8         | 16.0    | 16.0          | 16.0               |
| Disagree          | 13        | 26.0    | 26.0          | 42.0               |
| Agree             | 18        | 36.0    | 36.0          | 78.0               |
| Strongly Agree    | 11        | 22.0    | 22.0          | 100.0              |
| Total             | 50        | 100.0   | 100.0         |                    |

*Source: Author Field Survey, 2020*

The above table shows that 8 (16.0%) disagree, 13 (26.0%) strongly disagree, 18 (36.0%) agree and 11 (22.0%) strongly agree. This implies that major percent of the respondents agree that empowering the community is also a way by which the administration of Iwo local government can improve community development.

**Table 1.23 The local government council of Iwo should involve the people in the communities in their decision making so as to promote effective rural development**

|                   | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Strongly Disagree | 12        | 24.0    | 24.0          | 24.0               |
| Disagree          | 13        | 26.0    | 26.0          | 50.0               |
| Agree             | 21        | 42.0    | 42.0          | 92.0               |
| Strongly Agree    | 4         | 8.0     | 8.0           | 100.0              |
| Total             | 50        | 100.0   | 100.0         |                    |

*Source: Author Field Survey, 2020*

The above table shows that 12 (24.0%) disagree, 13 (26.0%) strongly disagree, 21 (42.0%) agree and 4 (8.0%) strongly agree. This shows that majority of the population agree that the local government council of Iwo should involve the people in the communities in their decision making so as to promote effective rural development.

**Table 1.24 One of the prospect of Iwo local government is to put corruption to a minimum bay by the local government council leadership**

|                   | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Strongly Disagree | 3         | 6.0     | 6.0           | 6.0                |
| Disagree          | 11        | 22.0    | 22.0          | 28.0               |
| Agree             | 27        | 54.0    | 54.0          | 82.0               |
| Strongly Agree    | 9         | 18.0    | 18.0          | 100.0              |
| Total             | 50        | 100.0   | 100.0         |                    |

*Source: Author Field Survey, 2020*



The above table shows that 3 (6.0%) disagree, 11 (22.0%) strongly disagree, 27 (54.0%) agree and 9 (18.0%) strongly agree. This indicates that the larger percent of the respondents agree that Iwo local government should put corruption to a minimum bay by the local government council leadership.

**Table 1.25 Management of Iwo local government should be more pragmatic and proactive in discharging its responsibilities**

|                   | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Strongly Disagree | 13        | 26.0    | 26.0          | 26.0               |
| Disagree          | 6         | 12.0    | 12.0          | 38.0               |
| Agree             | 15        | 30.0    | 30.0          | 64.0               |
| Strongly Agree    | 19        | 38.0    | 38.0          | 100.0              |
| Total             | 50        | 100.0   | 100.0         |                    |

*Source: Author Field Survey, 2020*

The above table shows that 13 (26.0%) disagree, 6 (12.0%) strongly disagree, 15 (30.0%) agree and 19 (38.0%) strongly agree. This reveals that majority of the population strongly agree that the Management of Iwo local government should be more pragmatic and proactive in discharging its responsibilities.

## INSTRUMENT OF DATA COLLECTION (QUESTIONNAIRE)

## APPENDIX B

### SECTION A: SOCIO-ECONOMIC CHARACTERISTICS

1. Sex: Male[ ] Female[ ]
2. Age: Under 18[ ] 18 – 25[ ] 26-30 [ ] 31-35[ ] 36-40[ ] 41-45[ ] 46-50[ ] 50 years and above[ ]
3. Marital status: Single[ ] Married[ ] Divorced[ ] Separated[ ]
4. Religion: Christian[ ] Muslim[ ] Others (specify)[ ]
5. Level of education: SSCE [ ] NCE/OND [ ] HND/B.Sc/M.S.c [ ] others [ ] No formal Education [ ]

### SECTION B: EVALUATION OF THE ROLE OF IWO LOCAL GOVERNMENT IN RURAL DEVELOPMENT WITH REFERENCE TO THE IWO LOCAL GOVERNMENT COUNCIL

Please tick as appropriate. SA- Strongly Agree; A- Agree; D- Disagree; SD- Strongly Disagree

| S/N | ITEMS   | D | SD | A | SA |
|-----|---|---|----|---|----|
| 1   | Iwo local government council has done wonderfully well when it comes to rural development             |   |    |   |    |
| 2   | Rural development in iwo local government has been on a regular basics y the local government council |   |    |   |    |





|   |   |  |  |  |  |
|---|---|--|--|--|--|
| 3 | Provision of basic infrastructures by the iwo local government council is paramount as part of the rural development. |  |  |  |  |
| 4 | Provision of health delivery services by iwo local government council is paramount as part of the rural development   |  |  |  |  |
| 5 | Adequate power supply by iwo local government council is paramount as part of the rural development                   |  |  |  |  |

**SECTION C: FUNCTIONALITIES OF LOCAL GOVERNMENT WITH RESPECT TO INFRASTRUCTURAL FACILITIES**

|    | ITEMS  | D | SD | A | SA |
|----|--|---|----|---|----|
| 1. | Infrastructures like bore hole is readily provided by the iwo local government council                                       |   |    |   |    |
| 2. | Infrastructures like good roads is readily provided by iwo local government council  |   |    |   |    |
| 3. | Infrastructures like health centre is readily provided by iwo local government council                                       |   |    |   |    |
| 4. | One of the factors militating against the performance of iwo local government council on rural development is bad governance |   |    |   |    |
| 5. | Another factors militating against the performance of iwo local government council on rural development is negligence        |   |    |   |    |

**SECTION D: DEGREE OF MOBILIZATION REQUIRED FOR RURAL DEVELOPMENT AT THE GRASS ROOT LEVEL**

|    | ITEMS   | D | SD | A | SA |
|----|---|---|----|---|----|
| 1. | The local government council brings up programs that promote quality health care delivery in the community                |   |    |   |    |
| 2. | The local government have been partnering with other organization to improve delivery of basic amenities in the community |   |    |   |    |
| 3. | The local government council brings up programs that promotes quality education in the community                          |   |    |   |    |
| 4. | The local government council brings up programs to enable youths in the community acquire basic entrepreneur skills       |   |    |   |    |
| 5. | Iwo local government council has in their best ways bring up programs to eradicated poverty in the community              |   |    |   |    |

**SECTION E: PROSPECT OF NIGERIA LOCAL GOVERNMENT AND RECOMMENDED WAYS FOR MORE EFFECTIVE AND VIBRANT ADMINISTRATION AND MANAGEMENT OF LOCAL GOVERNMENT**





|    | ITEMS   | D | SD | A | SA |
|----|---|---|----|---|----|
| 1. | Gaining more understanding of the people in the community is a ways in which the administration of iwo local government can be improved towards community development |   |    |   |    |
| 2. | Empowering the community is also a way by which the administration of iwo local government can improve community development  |   |    |   |    |
| 3. | The local government council of iwo should involve the people in the communities in their decision making so as to promote effective rural development                |   |    |   |    |
| 4. | One of the prospect of iwo local government is to put corruption to a minimum bay by the local government council   |   |    |   |    |



# MOBILE MONEY AND FINANCIAL INCLUSION IN CAMEROON

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## ABSTRACT

The objective of this article is to analyze the effect of mobile money on financial inclusion in Cameroon. To carry out this work, it was necessary for us to analyze the effect of this adoption on the facilitation of access to financial services for households in Cameroon, and to analyze its effect on the mobilization of savings. Thus, we adopted a hypothetico-deductive approach, and collected data from several sources between 2011 and 2018, including Global Findex, Finscope and COBAC. Stationarity tests followed by series cointegration tests for the analysis of cointegration relationships between variables then led us to choose and estimate our econometric model by VAR regression, in order to capture in depth the reciprocal influence of the selected variables. The results show that holding a mobile money account thanks to accessibility significantly influences the facilitation of access to financial services for Cameroonian households.

## INTRODUCTION

Mobile money is a modern tool for quickly transferring money using the mobile phone. It is an electronic wallet allowing customers to carry out various types of financial transactions from their mobile phones. Available in thirteen countries in Africa and the Middle East, mobile money has more than 15 million customers today.

In Cameroon, the service has existed since September 2011, in partnership with certain commercial banks that ensure regulatory control. The phenomenon has been booming since 2014. More than 700 payment points exist today across the country (INS). This new concept offers a large area of ? ? security, confidentiality and speed, hence its easy entry into the customs and everyday life of Cameroonians.

The potential seems to materialize in Kenya, through M - PESA, a mobile banking system operated by Safaricom. Unlike M-PESA, that has access to Kenyan household bank accounts, mobile money services by BEAC regulations are limited to money transfer and savings services.

The authors estimate that M -PESA has reached nearly 40% of adults in the population, just 2 years of operation. In addition, that now, after 4 years of its launch, it is used by more than two thirds of households. Part of this success is due to a rapidly expanding network of M-PESA agents, who now number over 23,000.

The mobile money of these 10 years took off in 2014, reaching more than 16 million customers at the end of 2016, with a penetration percentage of 57.3%, a transaction volume of 128 million in 2012, 1.2 billion in 2017. Finally, a transaction value estimated at 1.6 billion US dollars in 2012, against 19.9 billion U \$ in 2017 (GSM, 2017).

From all of the above, we come to the formulation of our main hypothesis, in particular: The adoption of mobile money affects financial inclusion in Cameroon both by facilitating access to financial services and by mobilizing savings.

## LITERATURE REVIEW

The theoretical thoughts of Schumpeter (1911) bring to the fore the fundamental role of the financial sector in economic development and financial inclusion. According to this author, this link is expressed through financial development through financial innovation, and its impact on inclusive growth such as mobile money.

In Schumpeter's original theory (1911), the mobile money financial sector in our case, through the various services it provides, plays an indispensable role in economic growth and financial inclusion by contributing



to the improvement of productivity influenced by current financial innovation (Eschenbach, 2004).

Depending on the nature of financial development, Patrick (1966) highlights a supply leading and a demand following for financial services (Boukari M, 2014). The supply-leading hypothesis implies a cause and effect relationship ranging from financial development to financial inclusion. In other words, the creation of mobile money promotes inclusive development in Cameroon.

Djamchid Assadi and Anaïs Cudi 2011 show that faced with the number of populations unbanked worldwide and with the growing number of mobile phones in use, the Mobile money seems to be the solution to distribute financial services and to bank a new population.

With William Jack and Tavneet Suri 2011, mobile money is a tool that allows individuals to carry out financial transactions using cell phone technology, through savings in this mobile account. Thus, their work relates to the initial results of two series of a large household survey in Kenya; a country that has experienced the fastest and most widespread growth of a mobile money product, mobile savings, known locally as M PESA. They are examining its potential economic impacts, particularly on inclusion.

## EMPIRICAL FRAMEWORK

The autocorrelation vector regression (VAR) model will be used in this study, as was the case with many adoption studies in mobile technology, such as mobile money and financial inclusion in Cameroon (Amemiya, 1981, GS Maddala, 1983, CIMMYT, 1993, D. N. Gujarati, 2004, S. Belaidi, 2012). Since the dependent variable in our case is an economic effect, multiple regression was used for this analysis.

### Model Specification

We then specify a model to an equation. In this model, the use of the mobile money account is expressed in terms of occasional use, holding an account and transactions. However, the mobilization of savings on its side will be expressed in terms of accessibility, education, possession of a mobile device. Gender, age, and income enter the model separately.

### The dependent variable

Here, the endogenous variable for our hypothesis is savings (EPGNE), through deposits and transfers. However, VAR regression assumes all variables as endogenous. Consequently, we will have interdependent relationships between the series, for capturing autocorrelation. The growth indicator here is used as an endogenous variable in several related studies between saving and facilitating access to financial services.

## THE INDEPENDENT VARIABLES

They are of two types, socio-economic variables and environmental variables.

### Socio Socio-Economic Variables

**Education (EDC):** the level of education here refers to the highest diploma obtained by the respondent. Picolli et al (2001) in their work concluded that the level of education is a factor influencing the understanding of a new technology and its adoption. Mbiti & Weil (2011) and Yaya et al. (2012) agree that, the level of education positively affects the permanent use of Mobile Money.

**Income (REV):** this refers to all of the expenses incurred by the user to be able to carry out a transaction. Shy & Tarkka (2002) argue that use would influence the adoption of electronic financial services. Van Hove (2004) points out that the more expensive it is, the less users will adopt the financial product.

**Age (AGE):** it is necessary to take into account the age level of the individuals observed, if this effectively affects the inclusion of households in Cameroon, as the case in Kenya demonstrated by Ouma SA (2017).



**Gender (MEN), (WOMEN):** All countries striving to accelerate financial inclusion face similar obstacles that hinder their progress. Ensure that hard-to-reach populations, such as women and the rural poor, have good access to financial services. Women are therefore included in the study for the analysis of their level of financial inclusion.

**The Telephone (TLPHNE):** Having a telephone encourages accessibility to financial services for Cameroonian households (Jack & Suri, 2016). Since mobile money is a tool that can be used thanks to its Orange money or MTN mobile money application, the mobile device is therefore the focal point for facilitating access to financial services for households in Cameroon.

### **The Environmental Variable**

**Accessibility (ACCESS):** Access to financial products and services makes everyday life easier and helps households and businesses to anticipate the financing of long-term objectives or to face unforeseen events. An individual with a current account will be more inclined to use other financial services, such as credit or savings, to invest in education or health, to manage risks and to overcome financial shocks (Mbiti & Weil, op cit). These are all factors that will improve his standard of living overall.

**The model is therefore presented as follows:**

$$EPGNE_t = \beta_0 + \beta_1 ACCES_t + \beta_2 EDC_t + \beta_3 AGE_t + \beta_4 TLPHNE_t + \beta_5 HOMME_t + \beta_6 FEMME_t + \beta_7 REV_t + \varepsilon_t$$

## **RESULTS OF THE MODEL ESTIMATE**

### **Econometric validation of the model.**

It is a question of verifying the models econometrically, before the interpretation of the results. To do this, it will first be a question of verifying whether the hypotheses that underlie a linear regression are verified. To this end, we will check the hypothesis of error normalities, residual normality (or Cholesky Lutkepohl), followed by cointegration between the variables, Wald tests and VAR heteroskedasticity.

#### **Normality test**

The test shows that the value of the Jarque and Bera statistic is 0.83. This value is less than the chi-square at two degrees of freedom (5.99). The hypothesis of normality of the residuals is therefore verified. Our residues follow a normal law.

#### **Cholesky test (Lutkepohl)**

It therefore appears from the tables that the probabilities of the error normality tests are below the 5% threshold. Consequently, the autocorrelation vector model is globally significant.

#### **VAR Heteroskedasticity Test for Residues**

It also emerges from the test that the probability is below the 5% threshold. This further confirms the overall validity of our estimated model.

Interpretation of the equation results



**Table:** Results of the estimation of the model equation

|            | EPGNE  | TLPHNE  | EDC     | REV     | ACCES   | FEMME    | HOMME     | AGE      |
|------------|--------|---------|---------|---------|---------|----------|-----------|----------|
| EPGNE(-1)  | 0.011  | 0.075   | -0.043  | 1.150** | 1.021   | 1.101**  | 0.965**   | 1.912    |
| TLPHNE(-1) | 0.095  | 1.669** | 0.85*** | -10.4** | 9.740** | 10.43**  | 9.135**   | -18.04** |
| EDC(-1)    | 0.2    | -3.945  | -2.01** | 20.44*  | 19.21   | 20.615   | 18.058    | 35.6***  |
| REV(-1)    | -0.043 | 1.484   | 0.750   | -1.55   | -1.737  | -1.916   | 1.692     | -3.278   |
| ACCES(-1)  | 0.011  | 0.364** | 0.144** | 4.09**  | 3.59**  | 3.794**  | 3.308**   | 6.593**  |
| FEMME(-1)  | 1.075  | 23.3**  | -12.491 | 105.2** | 99.85** | 107.1*** | 93.86**   | 185.1**  |
| HOMME(-1)  | -1.165 | 25.23   | 1.58**  | 114.0** | -108.15 | -116.04  | -101.6*** | 200.53   |
| AGE(-1)    | 7.560  | -0.0002 | -0.001  | -0.0083 | -0.07** | 0.0078   | -0.006    | -0.013   |
| C          | 33.8   | 96.62   | 56.83   | 3.63    | 3.25    | 3.45     | 3.028     | 5.96     |

Source: Author

Notes: The values in parentheses are the Student t's. \* represents significance at the 1% level, \*\* represents significance at the 5% level, \*\*\* represents significance at the 10% level.

We used Eviews10. Here, the variables are only shifted by one period after estimates. The Lags criterion shows us the significance on order 1.

The restoring force at equilibrium of our model is given by the coefficient of determination  $R_2 = (0.9, 0.91, 0.91, 0.90, 0.9, 0.90, 0.9 \text{ and } 0.90)$  and  $R_{2A} = (0.85, 0.84, 0.84, 0.85, 0.85, 0.85, 0.75 \text{ and } 0.75)$ , respectively for (savings, holding a telephone, education, income, accessibility, being female, being male and age) in the model.

This coefficient is positive and significant. This would mean that the rate of use of a mobile account adjusts at a speed of 0.85% per year, in the event of a shock from the exogenous variables. The entire absorption of such a shock will be effective after 11 months 24 days ( $1 / 0.85 = 0.52$  years).

This would therefore mean that 85.72% of the fluctuations in the rate of mobilization of household savings in Cameroon are explained by the explanatory variables taken from the model. Fischer's statistics (F-statistic) all have a probability of less than 5%, i.e. (0.01, 0.01, 0.01, 0.008, 0.009, 0.017, 0.017 and 0.023 respectively for (savings, telephone, education, income, access, be a woman, be a man, and age). We can therefore say that the quality of our model is good. The model is globally significant. We can therefore interpret the explanatory variables of our equation of model.

Education is a measure, of investment in human capital and from knowledge production processes. It is positively correlated for variables lagged by one period in particular (for savings, telephone ownership, income, access, and being a woman) significantly at 10% with the use of the service and mobilization of savings. However, education lagged by one period, being male and the age of households negatively influence the level of education respectively (-2.01, -13.52 and -0.0001). These results have been obtained in several recent studies (Tuesta et al. 2015, Fungàcovà and Weill, 2015, and Olaniyi, 2016, Jack and Suri, 2016, Chaix L., 2017, Kabakova O., 2018). Thus, when the level of education decreases by 1%, the exclusion from savings increases by (-2.01%, -13.52% and -0.0001%) respectively, all other things being equal. In the same way as when the level of education increases by 1%, the level of inclusion in savings lagged by a period increases by 0.04%, 0.85%, 0.75%, 0.14% and 12.49% respectively for the savings, telephone ownership, income, access, and being a woman, ceteris paribus.



Accessibility is positively and significantly correlated with the 5% threshold, notably by (savings, holding a telephone; education, being female, age and accessibility shifted by one period). This parameter bears the economically expected sign. Thus, a 1% increase in the rate of access to mobile money stimulates mobilization at a rate of 1.02%, 9.74%, 19.21%, 3.59% and 99.85%, respectively. In other words, on this slice of study, Cameroon gives more importance to the number of users than to savings. This goes hand in hand with the results of Khan, (2011), in particular the more the availability increases, the more the propensity to save evolves positively.

Income lagged by one period is negative and significant at the 10% level, especially for the explanatory variables (telephone, income, and being male lagged by a period, respectively -10.44, -1.55 and -114.03). This sign is economically expected. We can therefore say that income does not contribute positively and significantly to the mobilization of household savings in Cameroon over the 2018 period. This result has been obtained in several recent studies (Jack and Suri, 2016, Ouma SA, 2017). According to this econometric estimate, a 1% decrease in this variable offset by one period leads to a reduction of -10.44%, -1.55% and -114.03% respectively, in the rate to be saved by households in Cameroon, *ceteris paribus*.

In addition, we made a regression where we took into account the usual use of a mobile money account, and the result shows that these uses contribute positively to the mobilization of savings, and facilitate access to financial services. According to the econometric estimate, a 1% increase in this variable leads to an increase of 1.15%, 20.44%, 4.09%, and 105.27% (respectively for education, access to woman and age lagged d 'a period) of the level of household savings in Cameroon, *ceteris paribus*. This result has been obtained in several recent studies (Sarma and Pais, 2011, Allen et al. 2014, Chaix L., 2017).

Indeed, the coefficients of having a mobile phone compared to account users, which is the main variable of the model, have a positive and significant sign at the 5% threshold. Here, the upward variation of 1% in the level of ownership of a mobile device leads, all other things being equal, to an increase of 0.07%, 1.6%, 1.4%, 0.3%, 23.3% and 25.2% of the power to mobilize savings (respectively for savings, possession of a mobile device, income, access, being a woman or a man, offset by a period). This result has been obtained in several recent studies (Boukary Ouedraogo, 2008).

Similarly, the coefficient on the age of access to financial services suggests a greater influence. Indeed, the economically expected signs go hand in hand, and have been obtained in several recent studies (Tuesta et al. 2015, Fungáčová and Weill, 2015, and Olaniyi, 2016,). In this model, the 1% increase in the age level of households leads to an increase of 1.91%, 35.64%, 6.59% and 185.12% of access to financial services (notably for savings, education, accessibility and being a woman, shifted by a period) and thereby opt to mobilize savings from these households in Cameroon. Thus, the age level has no effect on the decision to save, but contributes significantly to the 10% threshold for the mobilization of savings in the sense that the household projects a better future.

In the same way, the coefficients on the sex of the individual will depend on his gender. The coefficient for men is negative, shifted by one period, while not being significant at the 5% level, but significant at the 1% level. The male gender is negatively and significantly correlated for 1% to opt for the transfer service and mobilization. However, other explanatory variables linked to the male gender provide us with positive signs in particular (0.96, 9.13, 18.05, 1.69, 3.30 and 93.86) and respectively for savings lagged by a period, possession of a mobile phone, education income, ease of access and being a woman shifted by a period). All things being equal.

As for the female gender, it maintains its positive and significant sign at 5%. This sign has been obtained in several recent studies (Tuesta et al. 2015, Fungáčová and Weill, 2015, and Olaniyi, 2016,). This coefficient shows that women are much more opting for mobile money to mobilize savings. And this, for more reassuring reasons, in particular the guarantee, security and reliability of the service accessible on every



corner, and for family reasons (savings for children's illness health) and conjugal (as in rural areas, women are left to their own devices, without husband's support) (Jack and Suri (2016)), and Ouma SA, (2017).

Thus, the results of the regression show that the coefficient devoted to the variable Woman contributes positively to the mobilization of savings. A 1% increase in this variable leads to an increase of 1.1%, 10.4%, 20.6%, 1.9%, 3.7%, 107.1%, and 0.007%, respectively for the variables lagged by one period in particular (savings, possession mobile phone, education, income, service availability, gender and age). Alternatively, 11.01%, 10.4%, 20.6%, 19.1%, 37.9%, 107.1%, 0.7% respectively of the savings rate of households in Cameroon, *ceteris paribus*. So what about the fates of our assumptions?

The econometric results that we obtained allowed us to verify the statistical and economic validity of our hypotheses. The first relates to the contribution of mobile money to facilitate access to financial services and the second consists in seeing among these factors, which has the most affect the mobilization of savings in Cameroon. These results show that the adoption of mobile money facilitates access to financial services for households in Cameroon more than the mobilization of savings, positively.

## **IMPLICATIONS OF ECONOMIC POLICIES**

At the end of this article, this paper highlighted the interest of managing mobile money in the face of their effects on macroeconomic variables. The resulting economic policy implications will allow predictable management of shocks and thus mitigate their direct and indirect effects. However, to achieve this, the Cameroonian authorities are therefore invited to take vigorous action in various fields:

Promote education and the development of financial literacy. As the results of the FINSCOPE survey also confirm, the increased use of an expensive informal financial sector is linked to the lack of information on the possibilities offered by the formal sector.

Improved financial infrastructure could help overcome some barriers to accessing financial services. In this regard, it would be important to accelerate reforms aimed at: extending access to the customer database to all financial institutions; improve collateral management by computerizing the movable security register and the cadaster; and train judges in the resolution of banking disputes, while working for the creation of mobile commerce courts. These recommendations go hand in hand with the conclusions of Jack and Suri (2016), and Ouma SA, (2017).

Improve the regulatory environment for mobile money. In the mobile money sector, the acceleration of the implementation of the 2017 regional regulations, which is expected for first-class EMFs to come together under the aegis of regulatory bodies to facilitate control and supervision, should also apply for mobile money operators.

Professional management and effective governance are among the basic requirements for an operator who can mobilize the savings of its customers. The authorities should encourage the mobile money operator to first secure its liquidity in financial resources (this is already the case) and to master its knowledge, in order to process a larger volume of less predictable transactions.

Customers will be able to better monitor the operator and their confidence will be increased if the ownership of funds is clearly defined and if mobile money is managed transparently.

## **INTERNAL AND EXTERNAL CONTROLS**

Financial institutions that mobilize the savings of their customers are normally subject to the regulations and supervision of the public authorities in charge of the banking sector. However, these authorities are sometimes reluctant to control mobile money that captures savings because they have neither the resources (human and financial) nor the sufficient knowledge to supervise the mobile finance sector. Consequently,





when external supervision is ineffective or not compulsory, the mobile money group should develop effective internal control mechanisms, led by a special supervision and control unit, channeling the mobilizing aspect of savings for households. Caruana, (2016) goes in the same direction as our proposal.

Internal controls should be combined with the services of a competent external auditor. In addition, an efficient and adapted IMS (Information Management System) can help quickly detect problems.

### **TECHNICALS FOR THE INDIRECT OF SAVINGS MOBILIZATION**

Since mobile money is not legally authorized to collect deposits from their customers in the banking context, the government can encourage, among other things, mobile money, to use different intermediation techniques between their customers and a licensed financial institution (generally a commercial bank or a savings and credit cooperative). This will provide a means for poor households who do not like banks to have access to a safe place for their savings.

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# TESTING THE RAMBO EFFECT THEORY: A COMPARATIVE ANALYSIS OF ECONOMIC INTEGRATION IN MERCOSUR AND SADC

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## ABSTRACT

This paper attempts to conduct a comparative analysis between the integration processes of two regional blocs of the Global South, one in Latin America, namely the 1991-founded Common Market of South America (MERCOSUR) and the other in the southern part of Africa, namely the 1992-founded Southern African Development Community (SADC). In particular, this paper will seek to compare the economic integration process between MERCOSUR and SADC using insights of international political economy and regional cooperation. In doing so, the paper will test the 'Rambo effect' theory which claims that the dominant power of Brazil and South Africa has led to the failure of MERCOSUR and SADC respectively.

**Keywords:** *Rambo effect, MERCOSUR, SADC, Economic development, Market systems*

## INTRODUCTION

Regional integration in the Global South is certainly not a new phenomenon. In Latin America, it is a process which started back in the 1960s with the establishment of the Latin American Free Trade Association (LAFTA). However, the region's most successful integration effort is the 1991-founded Common Market of South America, commonly known, in Portuguese, as the Mercado Comum do Sul (MERCOSUR). MERCOSUR is an economic, political and social regional integration project for Latin America established in 1991 by its four founding State Parties, namely Argentina, Brazil, Paraguay, and Uruguay. Venezuela joined the organization in 2006 and more recently, Bolivia was accepted into the organization in 2015. Venezuela is, however, currently suspended as a State Party, and while the Accession Protocol of Bolivia was signed by all of the States Parties in 2015, it is yet to be incorporated by the congresses of the States Parties.

The 'new regionalism' in southern Africa started around the same time when MERCOSUR was founded, with the establishment of the Southern African Development Community (SADC) in 1992. Nevertheless, regional integration in southern Africa is also not something completely new. It is a process which started back in colonial times with instances like the 1910-founded Southern African Customs Union (SACU) and the Southern African Development Coordinating Conference (SADCC) which was established in 1980. The SADCC was eventually transformed and formalized into SADC as a greater and more ambitious regional project. SADC is presently made up of sixteen Member States. Angola, Botswana, Lesotho, Malawi, Mozambique, Namibia, Swaziland, Tanzania, Zambia and Zimbabwe were the first to sign the SADC Treaty in 1992. Following its first democratic elections, which saw the landslide victory of the anti-apartheid leader Nelson Mandela, South Africa joined in 1994. In 1995, Mauritius became the first island country and first Francophone country to join SADC. The Seychelles and the Democratic Republic of Congo joined in 1997. Madagascar gained membership in 2005. The newest member of the Community is Comoros which joined in 2017.

## SOCIO-ECONOMIC PROFILES OF MERCOSUR AND SADC

MERCOSUR and SADC have experienced different socio-economic conditions over time. Both blocs consist of developing countries and some of the world's poorest economies like Malawi. The table below provides a summary of facts and figures to illustrate the socio-economic profiles of the two regional blocs:



*Table 1: Socio-economic profiles of MERCOSUR and SADC*

|                                      | MERCOSUR                   | SADC                    |
|--------------------------------------|----------------------------|-------------------------|
| <i>State Parties/ Member States</i>  | 5                          | 16                      |
| <i>Total Population (2018)</i>       | 295 million                | 345 million             |
| <i>Land Area</i>                     | 14,869,775 km <sup>2</sup> | 556,781 km <sup>2</sup> |
| <i>GDP (2018)</i>                    | USD 3.396 trillion         | USD 721.3 billion       |
| <i>GDP per Capita (2018)</i>         | USD 11,887                 | USD 2,081               |
| <i>Inflation (2018)</i>              | 16.7%                      | 7.1 %                   |
| <i>Average Public Debt (2015)</i>    | 56.4% of GDP               | 42.8% of GDP            |
| <i>Total Imports (2018)</i>          | USD 377,390 million        | USD 185,243 million     |
| <i>Total Exports (2018)</i>          | USD 377,997 million        | USD 191,575 million     |
| <i>Intra-regional Imports (2018)</i> | 27.8% of Total Imports     | 20.6% of Total Imports  |
| <i>Intra-regional Exports (2018)</i> | 26.5 of Total Exports      | 22.4% of Total Exports  |
| <i>Intra-regional Trade (2018)</i>   | 27% of Total Trade         | 22% of Total Trade      |
| <i>Fiscal Balance (2018)</i>         | -4.5%                      | -3.1 %                  |

**Source:** SADC, MERCOSUR, UNCTAD, IMF and World Bank (2018)

The above table shows the key difference in the socio-economic factors and indicators of the two blocs. MERCOSUR is composed of few large members while SADC is made up of several smaller countries including small island developing states like Comoros, Mauritius and Seychelles. The GDP figures suggest that MERCOSUR is more economic prosperous than SADC which has a GDP per capita of merely USD 2,081. The trade statistics reveal that intra-bloc trade in both regions tends to be generally low. As the table indicates, intra-bloc trade for 2018 is 27% and 22% of total trade in MERCOSUR and SADC respectively.

### **RAMBO EFFECT THEORY**

Krapohl and Fink (2013) seeks to explain the different developmental paths of regional integration based on the implication of external economic actors and economic asymmetries in regional blocs. They claimed that regional integration can follow three developmental paths. The first path causes intra- regional interdependence, the second one reinforces dependence on extra- regional actors, and the third path reinforces asymmetries in the region. They associated the European Union (EU) to the first path, the Association of Southeast Asian Nations (ASEAN) to the second path and the Southern African Development Community (SADC) to the third. Later, Krapohl et al. (2014) applied the third path to the case of MERCOSUR.

The theoretical argument and empirical analysis put forward by Krapohl and Fink demonstrates how regional organizations get locked into these three developmental paths. The third path involves less-developed member states where there is a regional power. In this scenario, integration will result in strained cooperation since the regional power will pursue extra-regional interests over regional integration. Krapohl and Fink labelled this as the 'Rambo effect', where the super power (the Rambo) blocks, or fails to comply with, the region's integration agenda. According to them, it is unlikely, or impossible, that such an asymmetric cooperation will succeed, as it will feed a cycle where asymmetries are reinforced. They identify South Africa as the Rambo of the region and they claim that the region has failed due to the dominant power of South Africa. Similarly, Krapohl et al. (2014) claimed that Brazil's behaviour in MERCOSUR is that of a Rambo and this has damaged the regional integration process in Latin America.

### **BRAZIL AND MERCOSUR**

The experience of MERCOSUR has been one of contrasting developments since its inception. The pathway of the regional bloc in its early years has been quite impressive owing to its regional integration agenda.



According to Campos (2016), the period of 1991 to 1999 was regarded as MERCOSUR's 'golden years'. During this period, the region experienced significant achievements with respect to the economic, political, and social aspects of integration. This was largely due to Brazil's will and commitment to the region. Regional integration was, in fact, a win-win situation for both Brazil and MERCOSUR. Brazil's economy was struggling in the early 1990s. Its low levels of intra-regional trade highlighted the economic benefits that Brazil could gain by going regional. Brazil was particularly interested with the multiple opportunities that regional integration could offer such as better access to the markets in other MERCOSUR countries given that it needed to expand its economic space. Indeed, Brazil's GDP per capita increased from USD 3,093 in 1990 to USD 5,271 in 1997 (World Bank). However, Siroen and Yucer (2012) found that the impact of MERCOSUR's integration varied across different Brazilian regions and that the Center West region of Brazil did not really benefit from the integration process. They suggest that Brazil's openness to regional trade within MERCOSUR in the 1990s triggered a shock that impacted the trade-off between the different possible trade directions for Brazilian states. This was detrimental to domestic trade, because some states preferred to trade with relatively more accessible foreign neighboring countries in MERCOSUR instead of other states in Brazil.

Apart from potential economic growth, Brazil was equally attracted by peace and security cooperation and political stability that MERCOSUR could provide. On the other hand, MERCOSUR members saw Brazil as the region's benevolent and undisputed trailblazer with its dominant economy and its political leadership including diplomatic affinities that would influence State Parties to follow the integration agenda (Campos, 2016). The dependence on Brazil grew and so did the economic power of Brazilian markets. MERCOSUR countries simply accommodated Brazil's needs and this led to an increase in intra-MERCOSUR trade between State Parties. As such, MERCOSUR became very successful and this resulted in the settlement of existing disputes between its members and in the setting up of regional institutions (Meissner, 2017). The antagonistic relationship that existed between Argentina and Brazil was transformed into cooperation.

Nevertheless, the region experienced a major downturn starting with the Argentinian Economic Crisis between 1999 and 2000, and the economic crisis in Brazil and Argentina from 1999 to 2001. Even if Brazil was weakened economically, it did not neglect the region and demonstrated its commitment to the region by financing MERCOSUR projects. For Brazil, investing in regional infrastructure was a way to boost Foreign Direct Investment (FDI) and to improve the region's economic performance. Brazil's willingness and ability to lead was central in maintaining the regional integration arrangement throughout this difficult period. Brazil was also successful in keeping the State Parties united in external relations despite the financial crises (Meissner, 2017). This eventually resulted in a relaunching of integration in MERCOSUR.

However, post-millennium, the region's integration process has been stagnant and MERCOSUR has been regarded as one of the biggest failures in the history of regional integration (Campbell, Rozemberg, and Svarzman 1999; Kaltenthaler and Mora 2002; Malamud 2005). Krapohl et al. (2014) associates this failure to the dominance of Brazil, labelling it as a Rambo. Following MERCOSUR's relaunch, economic conditions improved in the region and Brazil was the world's 7<sup>th</sup> largest economy in early 2000s. However, Brazil's commitment to the region started to fade as it started to be more economically prosperous and as it began to position itself as a global trader, no longer bound to the regional markets of MERCOSUR. Brazil became reluctant to engage in regional integration efforts through MEROSUR as it became unwilling to cede autonomy to a supranational body. It started shifting its exports externally to countries outside MERCOSUR and the region's economic integration went stale.

In recent years, Medeiros and Dri (2013) suggest that Brazil has continued to consolidate its image at the international level and this has largely accounted for the detachment of Brazil from MERCOSUR, limiting the economic interdependence among MERCOSUR members. They claim that this low-impact regionalism has facilitated Brazil's actions at the international level. The economic incentives to deepen the integration process bleached and the political dynamics of the bloc changed with the entry of Venezuela in 2005.



Venezuela joined the bloc without having adopted and enforced the “acquis communautaire” of the bloc. While this was agreeable to three of the State Parties, Paraguay rejected this démarche, questioning Venezuela as a non-democratic state. Ironically, the admission of Venezuela was formally accepted by MERCOSUR eight years later in 2013, during a period when Paraguay was suspended from the bloc for certain political reasons (Veiga and Rios, 2019). Apart from the rising trade protectionism, regulatory and economic uncertainty in countries like Argentina caused Brazilian investments to fall in the region. In such a situation, Brazil's economic foreign policy priorities shifted to the global agenda, moving more towards the WTO and BRICS (Veiga and Rios, 2019).

## **SOUTH AFRICA AND SADC**

The establishment of the SADC Free Trade Area (FTA) in 2008 remains the most important achievement towards SADC's regional integration agenda. Despite numerous constraints, the FTA have been producing positive results, including the rise in intra-SADC trade flows. Since 2013, intra-regional trade in the region has consistently been above 20% and growing (SADC Secretariat, 2019). This represents a relatively fair performance compared to the pre-FTA era where intra-regional trade accounted for 16%. The region also savored success in other important sectors such as regional infrastructure and in the area of preventive diplomacy, mediation, conflict prevention and resolution. In recent years, the regional bureaucracy has been revamped with increased organizational capacities, industrialization has been brought to the forefront, and the SADC Industrialization Strategy and Roadmap 2015-2063 has been developed and is being implemented.

However, while much have been achieved, SADC is still lagging behind. SADC was established in 1992. It was expected to evolve into a customs union by 2010, a common market by 2015, a monetary union by 2016 and a single currency union by 2018. Yet, none of these targets have been met by 2020. Krapohl and Fink (2013) explains that South Africa as the Rambo of the region has blocked the regional integration process by favoring extra-SADC trade. However, unlike Brazil, South Africa is not a founding member of the regional bloc. In fact, the precise objective of the Southern African Development Coordinating Conference (SADCC), which later on was transformed into SADC, was to eradicate the patterns of integration developed so far in the region and by reducing their dependence on the then white-led South Africa (Niemann, 1991). Following its first democratic elections, which saw the institution of black-majority rule, South Africa joined SADC in 1994 and become the region's powerhouse. Alden and Le Pere (2003) claimed that since its accession to SADC in 1994, South Africa has remained strongly committed to the region (Alden and le Pere, 2003).

Using the flying geese model of economic development, Nelufule (2005) labelled South Africa as a “leading goose” and as a “springboard” to the region which boost FDI and trade in SADC. He gathered positive and statistically significant evidence to suggest that South Africa acts as a “leading goose” in the region through FDI and trade. Nelufule demonstrated that the increase in trade and the strengthening of investment relationships with South Africa have helped other SADC countries to develop, in particular by reinforcing their industrial structures and by the transfer of technologies. Alden and Soko (2005), studying South Africa's economic relations with other African countries, recognized that South African investments in bordering countries such as Mozambique have positive economic, social and political effects in these countries. Mlambo and Ogunnubi (2018) argue that, since its independence, South Africa has contributed positively in SADC's regional integration process through regional economic, diplomatic and military interventions. They acknowledge that South Africa is often portrayed as a dominant hegemon, but the country has used its regional stance to the benefit of the region and to deepen regional integration.

Moreover, with their 'Rambo effect' theory, Krapohl and Fink could also be drawing a somewhat narrow portrait of integration which omits other crucial aspects. For example, what happened to the “failed state” of Zimbabwe – the former powerhouse of SADC – has not been linked to the analysis of the integration process (Sithole, 2009). Before South Africa joined SADC in 1994, Zimbabwe was the main locomotive behind the



development of SADC and there were high expectations on Zimbabwe to deepen the integration process in the region (Tjønneland, Isaksen and le Pere, 2005). Due to its economic importance, geographical position and historical significance, Zimbabwe, together with South Africa, was expected to play a crucial role in deepening integration in the region. However, Zimbabwe became a “failed state” over time, consumed by political crises, governance failures and severe socio-economic difficulties. As at date, Zimbabwe is still facing numerous economic, financial and immigration sanctions from the US and its allies. Scrutinizing the SADC FTA in 2013, Sandrey confirmed the commonly accepted position that intra-SADC trade has been low but he pointed out that it would make a big difference if Angola and the DRC are included in SADC trade analysis (Sandrey, 2013). Angola, which is the second-largest economy after South Africa in the SADC region, and DRC have not yet joined the FTA. Once again, this has often been associated with the overriding power of South Africa, claiming that Angola is holding back from joining the FTA over qualms of being submerged by the dominant position of South Africa (Redvers, 2013). However, this remains highly questionable considering the fact that Angola joined the COMESA-EAC-SADC Tripartite FTA which, apart from South Africa, includes other bigger and powerful actors like Egypt, Ethiopia, Kenya and Sudan.

Nathan (2012) claims that SADC has failed to establish a credible security regime and he associates this failure to a lack of common values among Member States and their unwillingness to surrender their sovereignty to the regional organization. Reviewing Nathan's work, Taylor (2014) states that SADC has the capacity and necessary frameworks that would enable it to effectively intervene in regional conflicts and achieve peaceful change. However, Taylor confirms that the region lacks political commitment and will, leading to weak policy decisions. Davies (1996) claims that the whole lot of difficulties facing SADC in fact reflects a lack of commitment and political will to address essential conceptual, strategic and practical issues by the region. Peters (2011) speaks in the same direction, evoking a mismatch between the political fundamentals of integration and the region's economic ambitions which has led to a reduced commitment to integrate, in particular when Member States' national sovereignty are at stake. Sako (2006) explains that African countries are not prepared to surrender and pool part of their national sovereignty to any regional integration process. It has also been claimed that commitment to achieve regional integration has been much stronger from the founding members of SADC and from South Africa rather than from the new members (Tjønneland, Isaksen and le Pere, 2005).

## CONCLUSION

Both MERCOSUR and SADC have been ambitious regarding their economic integration agenda. However, as their regional integration projects evolved, this agenda suffered and proved to be overly demanding for their members including their regional powers, that is Brazil and South Africa. At different points in time, both Brazil and South Africa have played a very important role in deepening integration in their respective regions. However, as a member of international community, they have a lot of balancing to do for both their domestic economy and their diplomatic affinities. Besides their regional blocs, both Brazil and South Africa belong to a number of international organizations including the G-20, WTO and BRICS, among others.

With regards to the Rambo theory, while Brazil appears to a Rambo in MERCOSUR, this may not be the case for South Africa in SADC. The Rambo theory might fail in explaining SADC's stagnation. This paper tends to indicate that South African has rather been pushing the region forward and that SADC's failure is rather centrally linked to a lack of political will in the region. Conscious of the absence of this political will and its underlying causes, the region has been using a realistic approach to integration in the past few years. The progress made in the region has been achieved without the region being a Customs Union nor a Monetary Union. It could be that SADC has realized that it was overambitious and revisited its integration agenda at some point in time to give the region a new impetus, something that MERCOSUR could not do.





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# TECHNOLOGY AND LAW: THE USE OF ARTIFICIAL INTELLIGENCE AND 5G TO ACCESS THE COURTS IN AFRICA

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## ABSTRACT

The application of the latest technological advances has the potential of giving the disadvantaged African persons the ability to have their matters heard and resolved by the courts of law. Access to justice is fundamentally important to the injured party, and it is a vital component of the protection, recognition and enforcement of human rights. Many African persons still lack the ability to afford legal fees due to poverty. This paper is to explore the use Artificial Intelligence (AI) and the Fifth-Generation Cellular Network (5G) to provide economically disadvantaged African people with the ability to access formal and informal institutions of justice and have their matters heard. Lastly, the paper provides recommendations of why it is necessary to consider reformation and modification of the traditional court system using technology.

**Keywords:** *Technology; Artificial Intelligence; 5G; Human Rights; Access to Court; Africa*

## INTRODUCTION

The ability to access the courts gives people the capacity to have their voices heard, exercise their rights, challenge discrimination and, hold decision makers accountable (United Nations and The Rule of Law, 2012, para 1). Francioni (2007) makes a good argument when he expresses the ability to access the courts as an indispensable component of the system of protection and enforcement of human rights. The Universal Declaration of Human Rights (UDHR) incorporates the key principles of equality before the law and the presumption of innocence, as well the right to a fair and public hearing by an independent and impartial tribunal, in conjunction with all the guarantees necessary for the defence of anyone charged with a penal offence including the minimum guarantees to be tried without undue delay (United Nations, 2015, 14-24).

The UDHR is one of many human rights instruments that lays an affirmative duty upon the African states to ensure adequate access to the courts. Sufficient access to the courts or justice in Africa is impaired by many factors, which include; information, illiteracy, poverty, and the decline in mechanisms of justice, but this essay will only focus on two issues, which are; (a) poverty and (b) the decline in mechanisms of justice (Bowd, 2009, 2-3). This paper combines the ability to access the courts as physical structures with the ability to access justice, as to the consultation with lawyers and other dispute resolution mechanisms; both these issues will be addressed as one. The words “access to justice” are not easily well-defined, but they focus on two basic legal components-the system that allows people to vindicate their rights and resolve their disputes under the auspices of the state; It must be easily accessible to all; secondly, it must lead to results that are socially just (Cappeletti & Garth, 1978, 182). This paper proposes the use of computer systems to perform tasks that typically require human intelligence, such as AI and the forever evolving cellular network such as 5G, mainly to overcome barriers to access the courts (Armour & Sako, 2020).

Equal justice has been mainly understood as equal access to justice which in return is considered to mean access to the law; the burning question is equal to what, or whom, and in answering this question it is essential to look at justice as an interdependent ecosystem which relies on the surrounding circumstances and implemented structures to function efficiently (Rhode, 2001, 1787). This paper will explore the newly developed technology as another piece of the puzzle to fit the ecosystem of justice and ensure adequate access to the courts, and this proposal will be addressed in different stages, which are; (a) firstly, the paper will look at the concept of AI and 5G, including the capacities the technologies possess in solving the deficiencies of the current court structure, (b) the human rights aspects that impose a duty upon the state to ensure effective access to the courts, (c) the link between human rights, technology, and the courts, including a South African approach, and lastly, (d) recommendations will be provided on how technology can improve



the court structure and ensure effective access to justice in the African continent.

### **TECHNOLOGY BRIDGING THE GAP BETWEEN JUSTICE AND ACCESS**

The ability to access the court has been reflected as a vital component of democracy and civil liberty (Andrews, 1999, 557). The implementation of technologically friendly courts to improve access is not only for aesthetic consideration, but also for the advancement of democracies that exists. To narrow down the subject of technology, let us look at the characteristics of AI and 5G in modernizing the court process.

### **UNDERSTANDING THE CHARACTERISTICS OF ARTIFICIAL INTELLIGENCE (AI)**

In simple terms, artificial intelligence is the concept, theory, and practice of building intelligent machines, and its goal is the creation of artificial entities capable of rational behavior (Genesereth & Nilsson, 1987, 1). The development of AI is to construct an information-processing theory of intelligence that could be developed to guide the design of intelligent machines as well as to explicate intelligent behavior as it occurs in humans (Nilsson, 1980, 1). The application of AI in human practices is not to abolish the need for humans but to enforce a combination of man and machine for improved results. Some of the applicable sub-disciplines of AI include; (a) natural language processing, (b) intelligent retrieval from a database, (c) expert systems, (d) machine learning, (e) robotics, (f) combination and scheduling problems, and (g) vision, which is sometimes used in cases of facial and image recognition (Nilsson, 1980, 2-9). However, this paper will not focus on all of them; instead, it will consider the most relevant ones to the subject in question.

Natural Language Processing (NLP) concerns itself with the interaction between computers and human languages to process, analyse and interpret significant amounts of data in a short period of time, and it is understood as an interface of applying linguistic knowledge to computers, also to enhance more transparent communication between human and machine (Bateman et al., 2010, 1034). Secondly, AI provides a system of intelligent data retrieval, meaning that AI can orderly store a large volume of data, which can be obtained in relatively short amount of time; this system promotes a paperless storage environment (Akerkar, 2005, 10). Thirdly, the possibility is that the data fed to the system would be used later to predict future outcomes; however, this is not to say AI will replace human intervention, but it is to assist with accuracy guidelines to professionals and allow them to focus on more critical aspects of the profession rather than burdensome administrative tasks which can be automated. Lastly, an effective helping hand is needed, whether directly or indirectly; the robotic element of AI can be a consideration, they are centered around the application of reinforcement learning which in principle is a family of machine learning, meaning that an agent (robotic system) learns a task by directly interacting with the environment, which in result, through familiarity an agent can process, analyse and present the data automatically without the human intervention, however under the supervision of a human being. (Leotta et al., 2018, 131).

### **THE FIFTH GENERATION CELLULAR NETWORK (5G)**

The personal convenience that is brought by mobile communication has been noticed through the constant change in our societal setting and the development of new markets and industries, through the 10-year-cycle generation after the first launch in 1978 (Maeng et al., 2020, 1). The second generation of mobile communication (2G) introduced a voice-based communication among people, third-generation of mobile communication (3G) came with the wireless internet, the fourth generation of mobile communication (4G) provided a variety of services, which included video conferencing, shopping, and entertainment through high-speed wireless internet, which acted as a push factor for the 4th industrial revolution (Maeng et al., 2020, 1-2). As a result, this opened a floodgate for the need of a next-generation communication technology that can process large amounts of data in real-time (Maeng et al., 2020). The emergence of the fifth generation of mobile communication (5G) is expected to expand the mobile communication market in both the infrastructure and as an innovative platform, with a ten times faster maximum transfer rate and ten times more significant maximum number of connections (Maeng et al., 2020, 2). The 5G is expected to bring the following innovative qualities; (a) high-speed connection that enables the use and transfer of large amounts of data-based content such as ultra-high-definition, (b) virtual reality, and augmented reality, (c) ultra-low



latency that can also support real-time services that require immediate response without delays such as telemedicine and autonomous vehicles for emergency response, and finally, (c) 5G is to be utilized as the underlying technology of the Internet of Things (IoT), which involves smart homes and smart cities (Maeng et al., 2020, 2-3).

With the above-given information, now the question is how this technological advancement relates to the courts, and how such a sophisticated system would benefit African countries. Before this question can be answered, firstly, a burden must be pointed upon the State to implement effective measures to make sure that people have adequate access to the courts, which in turn, we will look at the concept of access to justice in the African dialogue.

### **THE LEGAL DUTY ON A STATE TO IMPLEMENT EFFECTIVE MEASURES TO PROVIDE ADEQUATE ACCESS TO THE COURTS**

The UDHR adopted by the United Nations General Assembly (UNGA) in 1948 is recognised as the first human rights law instrument, which realizes a common standard of achievement for all persons and all nations, the International Covenant on Civil and Political Rights (ICCPR), and the International Covenant on Economic Social and Cultural Right (ICESCR), together constitute the international Bill of Rights (Addaney et al., 2019, 338-339). Article 14 of the ICCPR states that;

All persons shall be equal before the courts and tribunals. In the determination of any criminal charge against him, or of his rights and obligations in a suit at law, everyone shall be entitled to a fair and public hearing by a competent, independent and impartial tribunal established by law (International Covenant on Civil and Political Rights, 1976).

The inability of people living in poverty to access legal and adjudicatory process mechanisms is a violation of human rights as stipulated according to Art.14 of the ICCPR (United Nations Human Rights Office of the High Commissioner [OHCHR], 2012). Lastly, the African Charter on Human and Peoples Rights (ACHPR) provides valuable articles which cannot be ignored when determining the duty of a state to provide sufficient access to justice, which is hinged in the following; Art.3 deems everyone equal before the law and entitled to equal protection, and Art. 7 (1)(a) and (b) gives people the right to be heard by a competent court and to be presumed innocent until proven guilty (Banjul Charter, 1982).

The above-stipulated instruments assure that the right to access the court is a fundamental human right that every person is entitled to vindicate and enjoy. The ability to have a person's matters heard by the court of law should not depend on the vagaries of where one lives and how much money they have, but everyone should receive equal treatment before the law. However, there is still a global need for a system that can reduce legal costs and delays, as this is premised on the recognition that many citizens and groups are effectively barred from the courts by the high costs and delays in litigation (Tate, 1979, 907). Therefore, based on the abovementioned human rights instruments, there is an affirmative duty upon the states to adopt active measures in giving people an updated platform to have their matters heard and decided by a court of law.

### **A POSITIVE CONNECTION BETWEEN HUMAN RIGHTS, TECHNOLOGY, AND THE COURTS**

International human rights instruments impose a duty upon a state to adopt effective measures to ensure adequate access to justice. This is to say, a country must recognise faults in the current system and not just end there but also take active steps in implementing or developing a system that will be more appropriate and serve its purpose. In turn, the human rights position applies pressure to the state to consider measures that will make it possible for ordinary people to enjoy their fundamental human right of having the ability to access the courts efficiently. This paper proposes technology as an ultimate solution in bringing the courts closer to the marginalised citizens. Bateman et al makes it clear in emphasizing that the newly developed machines can process, analyse, and interpret large amounts of data (2010). The court process can adopt this system and use



it for case filing, arrangements, and other useful methods that can reduce delays in court proceedings. The Fourth Industrial Revolution (4IR) is putting pressure on state organs to reduce physical filing and move towards a paperless approach ("We need to build data capability in South Africa", 2020). The need for a new court filing system was realised when the Pretoria High Court in South Africa lost a total of 45,000 physical trust files when a heavy storm destroyed the court roof, the lost files included some of the essential documents, such as the deeds of trust, wills, application forms, declarations, and copies of ID documents, and as result of such incident, access to justice is impaired. ("Pretoria Master's Office missing 45,000 trust files", 2019). It is to say that these kinds of incidents are either directly or indirectly causing harm to the effectiveness of the courts in Africa, and prevention is vital. Through the development of AI, a solution can be revised, especially when it comes to data storage and retrieval (Akerkar, 2005,10). It critical that relevant information is protected and processed efficiently; however, an automated robotic system can be useful in cases of disaster management and unforeseen circumstances. (Leottau et al., 2018, 131). The 5G is the last piece of the puzzle, as it is mainly to foster active data exchange and sharing of information to reduce case backlogs and delays. The sharing of real-time data will reduce logistical problems in the court structures, as it will create an integrated national court system that is unified and harmonised by practice (Maeng et al., 2020).

There is a need for a system that is friendly to the non-lawyers in the promotion of inclusivity for the marginalized. One famous cause for poor people being unable access the courts is affordability (Susskind & Susskind, 2016, 67). Repetitive and routine work such as litigation, due diligence, contract drafting, and rudimentary legal research contributes to the high costs of accessing lawyers, as a result, the automation of some tasks in these works can make a great difference in affordability and accessibility. COVID-19 played a catalytic role in exacerbating online dispute resolution (ODR) through the platforms such as Zoom. For example, before COVID-19, ODR techniques have always been used in platforms such as eBay to sort out more than 60 million disagreements that arise amongst traders each year (Susskind & Susskind, 2016, 70). These are some of the examples of the application and use of computing systems to resolve disputes and provide access to justice. The current system has been present for centuries, and one cannot deny that change will take time, however, a step a day will bring us closer to the realization of effective democracies that protects the application of law.

However, with every victory comes challenges, it does not mean that the digitization of the court process will solve all our ongoing and imminent burdens. There are also questions of cybersecurity and cybercrimes, which in October 2019 the municipality of Johannesburg was held ransom and all its websites and e-services was shut down and attackers demanded several bitcoins to free the municipality operations ("We need to build data capability in South Africa", 2020). Consciousness in matter of cybersecurity is vital for us to mitigate and foresee such crimes before they materialize.

## **RESEARCH QUESTIONS RELATED TO THE STUDY**

The following research questions have been developed based on the provided background; however, this study does not provide answers for all of them due the nature of the article and the guidelines it must adhere to. This work does not deal with the procedures in implementing the system instead proposes an idea that needs collective contribution from various professions. The research questions are as follows;

- (a) Can the court process completely rely on technology to conduct its daily business?
- (b) Is the legal framework doing enough to address and regulate the use of technology in the court proceedings?
- (c) Is the benefit of using technology in the court process greater than threat it poses?
- (d) What is the readiness of Africa in dealing with the consequences related to the use of technology in critical areas such as the courts?
- (e) What procedures that needs to be applied by African states to fully incorporate technology in the daily operations of state organs?



## RECOMMENDATIONS DECUDED FROM THE STUDY

The following recommendations and lessons are extracted from the above study; however, the list below consists of the main concerns and points of attention, instead, there is more learnt from the use of technology to provide access to justice. The lessons and recommendations are as follows;

- (a) The application of technology in the court proceedings can directly or indirectly be a result of the African persons enjoying the indispensable right to access the courts;
- (b) Technology is not to overthrow the traditional system of the courts, but it is to be used as a modification instrument that benefits that judiciary in reaching the vulnerable people of the society;
- (c) The available human rights instruments impose a duty upon the African countries to develop its structures to benefit everyone in the society regardless of their economic status;
- (d) There is a need for a system that can store and process data quickly in the court structures for the purposes of reducing delays and providing access to justice for everyone concerned;
- (e) Consciousnesses around issues relating to technology will not only make us aware of opportunities in the field, it will also prepare us to deal with the potential threats that comes with it.

## CONCLUSION

High caseloads, backlogs and delays creates a sense of urgency for an alternative system to remove such impediments in the administration of justice. The application of AI and 5G in the court modification and reformation can have a lasting positive impact in access to justice matters. The definition of access to justice incorporates both the traditional court route and ODR which is mostly termed as alternative dispute resolution (ADR). Both these avenues deserve equal recognition, support, and improvement to ensure that they serve everyone equally, regardless of the individual's economic status. The advancement of technological applications has the potential of unlocking various opportunities for the disadvantaged persons in Africa including state organs. Early preparations will put us in a better position to understand and mitigate the risks that come with the application of technology in vital fields such as the judiciary.

## TABLE OF ABBREVIATIONS

|          |  |
|----------|--|
| 1G       | First Generation Cellular Network                            |
| 2G       | Second Generation Cellular Network                           |
| 3G       | Third Generation Cellular Network                            |
| 4G       | Fourth Generation Cellular Network                           |
| 5G       | Fifth Generation Cellular Network                            |
| ACHPR    | African Charter on Human and Peoples Rights                  |
| ADR      | Alternative Dispute Resolution                               |
| AI       | Artificial Intelligence                                      |
| COVID-19 | Coronavirus  |
| ICCPR    | International Covenant on Civil and Political Rights         |
| ICESCR   | International Covenant on Economic Social and Cultural Right |
| ODR      | Online Dispute Resolution                                    |
| UDHR     | Universal Declaration of Human Rights                        |
| UNGA     | United Nations General Assembly                              |

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# INTERROGATING FACTORS ENCUMBERING E-GOVERNMENT PROJECTS IN ZIMBABWE

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## ABSTRACT

Across the global spectrum developed, developing and resource constraint states have embarked on a journey of public sector transformation through the adoption and implementation of e-government projects. E-government projects are viewed as vehicles of organisational capacity embedded with transparent, accountability, efficiency and effectiveness. In a bid to bring about transmogrification in the public sector, the Zimbabwean government has implemented a number of e-government projects. To this end, this research paper seeks to examine the factors that are hindering the success of these projects and offer remedial actions that can be adopted to guarantee project success.

**Keywords:** *E-government, Projects, Corruption and Political interference*

## INTRODUCTION

Across the global spectrum developed and developing nations have implemented e-government projects for the advancement of their nations. This is because the advancement of e-government projects is critical for the development of countries in Africa and the rest of the world (Ojo, 2014 Gronlund & Horan, 2004). E-government denotes “the use of information technology, in particular the Internet, to deliver public services in a much more convenient, customer-oriented, cost-effective, and altogether different and better way” (Holmes, 2001, Ayo 2014, p. 76). Erkut (2020, p. 10) reinforce the above view by noting that, e-government entails “a process consists of the design and use of digital government, digital business issues, and digital democracy—this multifaceted process goes beyond the mere concept of providing government services digitally. It tries to change the nature of establishing and running a business as well as the democratic representation of people.” To this end, e-government projects denote the use of information technology in government programs aimed at strengthening public service delivery and entrenching viable democratic structures. The notion behind is that, national advancement and efficiency heavily relies on e-government project success (Dada, 2006). Successful e-governance projects culminate in national optimum efficiency which enables the nation to gain place in the competitive advantage realm by boosting its Gross Domestic Product (GDP) (Dunleavy et al, 2006, Myeong et al, 2014). While unsuccessful e-government projects result in national performance deficiency which can lead to the dysfunctional of the entire public sector.

Zimbabwe has implemented a myriad of e-government projects in a bid to bring about efficiency and effectiveness in public service delivery. However, many of those projects have failed due to a plethora of reasons (Gambanga, 2017, Chilunjika & Mutizwa 2019). Pragmatically, e-government project failure can be categorised in different dimensions for example inability to provide the expected project scope, inability to complete the project within the approved schedule, failure to fulfill project goals and objective as well as inability to attain project cost objectives (Chilunjika & Mutizwa 2019, Bakunzibake et al, 2019). Therefore, it is against this background that this research paper seeks to examine factors that are hindering the success of e-government projects in Zimbabwe and propose remedial actions that can be adopted to ensure project success.

## Rationale of the Study

E-government projects have been viewed as a vehicle of efficiency and effective service delivery in the public sector (Zinyama & Nhema, 2016). E-government projects have played a crucial role in strengthening organisational capacity and optimal efficiency in the public sector. They have played a pivotal role in combatting market failure by enabling the state to have a crucial role in the supply of basic goods and services (Chilunjika & Mutizwa, 2019). In Zimbabwe, research which examines why projects fail have been done,



however the research has to be narrowed to e-government projects to generate robust examination and analysis of facts. Research on e-government projects are still burgeoning, mushrooming thereby making the present research worthwhile and timely as it exposes and generates much needed information to empower project administrators, academics and policy makers by giving them a timely and comprehensive findings. The research shall function as catalyst for further investigations of factors militating against e-government projects in Zimbabwe.

### **General overview of e-government projects**

The concept of e-government has taken center stage in the global arena, having emerged in the late 1990s (Chen & Hsieh, 2014, OECD, 2015). Gronlund and Horan (2004) noted that the emergence of e-government is attached to the 1990s although governments across the globe were already using computers since their inception. Governments have embarked on a race to implement e-government as a panacea to inefficiency, ineffectiveness and poor service delivery (Dunleavy et al, 2006). It is viewed as a vehicle of organisational capacity embedded with optimum efficiency by fostering accountability, transparency, effectiveness and efficiency. Developed, developing and resource constrained states have embraced e-government projects to transform their public sector (Holmes, 2001). Successful e-government increases customer satisfaction, trust in the government, the attainment of policy goals and greater public participation (Weerakkody et al, 2006). Therefore, viewed from this angle there is a correlation between development, effectiveness, efficiency and organisational capacity with successful e-government projects (OECD, 2014, Alcaide–Muñoz et al, 2017, Kalu & Masri, 2018).

## **FACTORS HINDERING E-GOVERNMENT PROJECTS IN ZIMBABWE**

### **Political Interference**

Political interference embedded with rent-seeking and power retention tendencies have been at the core of e-governance project failure (Gichoya 2005). Several e-government projects have failed in the Zimbabwean public sector owing it to excessive political interference in project administration (Chilunjika & Mutizwa 2019). Political interventionism is embedded with enzymes which hinder project success (Babaita 2001, Ogohi, 2014). For example the clash between the then minister of Minister of Transport, Communication and Infrastructural Development Nicholas Goche and Nelson Chamisa the then Minister of Information Communication Technology brought devastating effects to e-government projects in their line ministry (Muleya 2009). The two ministers would issue conflicting directives to organisations that were under their ministries. A good example is that of Potraz, Telone and Netone. Muleya (2009) noted that Telone failed to complete the convergence project within the approved schedule as different directives were issued from the two ministers' offices.

In similar manner, Netone received conflicting directives on their equipment purchase for the refurbishment and upgrade of their network structures leading to the organisation's inability to attain project cost objectives (Muleya, 2009). All these interference were motivated by the need to administer the Interception of Telecommunications Act (Chapter 11:20) which enables the state to intercept and record individual and corporate communication. It goes without saying political interference in project administration in the Zimbabwean public sector is motivated by power struggles and has been a major impediment to development (Moyo et al., 2015). Zhou (2012) reinforces the finding and asserts that at the heart of State Owned Enterprises (SEPs) challenges is the ghost called political interference.

### **Conflicting Legal and Regulatory Framework**

Moyo et al (2015) and Chilunjika & Mutizwa (2019) propounded that the legal structure that governs the public sector is distinguished not only by contradicting legislations but rather vague, ambiguous, confusing and conflicting with twofold goals which are meant to strengthen and promote extreme political interference in the operation of organizations leaving them with less autonomy from the government. An orthographic projection of the functions of Postal and Telecommunication Regulatory Authority of Zimbabwe (POTRAZ) and Broadcasting Authority of Zimbabwe (BAZ) vividly depicts that there is fragmentation, confusion and



contestation in the regulation of electronic communication sector (Moyo et al 2015). A good example is that of POTRAZ which regulates electronic transmission of data and information the same function that is also done by BAZ yet the two institutions fall under different line ministries. BAZ falls under Ministry of Media, Information and Broadcasting services while POTRAZ under the Ministry of Information and Telecommunication Technology (ICT). This can be evidenced by the contention and confusion witnessed in 2017 when POTRAZ gave a greenlight to Econet Kwese project while BAZ on the other hand fought hard in the courts to have Kwese's license rescinded (Laiton, 2017).

To this end, such differences from government regulatory institutions are not beneficial to the nation as the hiccups in project implementation undermines the ease of doing business. The project could have made Zimbabwe competitive with other nations in the region in as far as Television Broadcasting is concerned. The project is classified as a failure due to conflicting regulatory frameworks that gave breathe to a bureaucratic culture which prevented the swift implementation of the project culminating in the project's inability to achieve the intended objectives and goals (Laiton, 2017).

### **Corruption**

OECD (2015) and Mutizwa (2020) articulated that corruption has remained a major impediment to project success. The impetus of corruption has no respect for strategic planning and this can be evidenced by how they invaded the Netone base station building projects (Chilunjika, 2018, Chilunjika & Mutizwa, 2019). Netone initiated base station building projects which were meant to modernisation and refurbish its network systems thereby, strengthening its place in the competitive advantage realm. The project is said to have dismally failed as some tenders to construct base stations were being given to some companies in advance before the project had started (Mpofu 2016). The companies are however, said to have failed to fulfill their obligations culminating into project failure, according to Subusisiwe Ndlovu's audit report. The companies that are alleged to have been paid in advance include Masimba, Bopela and Essar, despite it being against the State Procurement Board regulations (Procurement and Disposal of Public Assets Act (Chapter 22:23) (Mpofu 2016). Ndlovu's report contained scintillating revelations as to why Netone projects were failing. The report also revealed that the then CEO of Netone Kangai ordered the installation of a base station at his sister's house Ms Joyce Kangai so that she can receive rentals from Netone (Manayiti 2016). A move meant to siphon money from the organization, leading to project failure because of personal interest that take precedence and neglect organisational goals.

Corruption brings more harm and stagnation to e-governance projects than success. This can be also be evidenced by the Science, Technology, Engineering and Mathematics (STERM) program initiated by the then Minister of Higher and Tertiary Institutions professor Jonathan Moyo. The STERM program was an e-governance project which was meant to revolutionize the higher education and tertiary institutions by funding science and technology initiatives as well as giving scholarships to students in science department. The Auditor-General Report (2017) noted that the STERM program was wrapped with corruption and misuse of state resources with tenders being awarded to public officials without following procurement procedures. The report exposed corrupt activities among them AB Communications owned by former cabinet minister Supa Mandiwanzira which was paid US\$ 563, 945, Fuzzy Technologies which was paid US\$185, 840, Troika Design which was paid US\$270, 023, MOTEC Management Services US\$ 70, 000, Tsholotsho Rural District Council which was paid US\$ 19, 500 and Seven Bridges which received US\$169, 447.

The report also noted that some of the payments which were made from the Zimbabwe Manpower Development Fund (ZIMDEF) funds, which were meant for the STERM program include a donation of US\$ 20, 000 to the Zimbabwe ruling political party, ZANU-PF Conference, US\$29 ,000 for by-election T-shirts and US\$2, 985 for sports meeting. Thus the issuing of tenders to the above organisations was done through ministerial directive henceforth violating tender and procurement procedures which seek to ensure that procurement is effected in a manner that is transparent, fair, honest, cost-effective and competitive. The Procurement and Disposal of Public Assets Act (Chapter 22:23) in corroboration with section 315 of the



Zimbabwean Constitution seeks to provide for the fair and equitable treatment of all bidders, leading to procurement contracts that represent good value for money and robust assessment of institutional capacity. Therefore, taking into consideration of the above ministerial directive, the research noted that the directive defied logic and sought to promote self-aggrandizement which become the major impediment to program success.

### **Lack of Resources**

Lack of resources has remained problematic in project scanning, adoption, implementation, monitoring and evaluation in Africa, as it is a common challenge that knows no boundary (Hanachor, 2012). The assertion of lack of resources impeding projects in Africa can be assessed using Zimbabwe Broadcasting Cooperation (ZBC) digitalization project. The digitalization project was launched by the then Minister of Media Information and Communications Chris Mushowe in 2014 (Gambanga, 2017). The project was expected to end in 2018 however, as at 2020, the project has not been completed due to financial constraints. Vunga (2018) noted that Prince Sibanda the chairman of the Information and Publicity Parliamentary Committee beseeched the Finance Minister Mthuli Ncube to allocate US \$100 million for the completion of the digitalization project. Failure to complete the project on time would lead to obsolescence of the purchased equipment. The project delayed by three years after failing to meet the International Telecommunications Union (ITU) deadline of June 2015 to migrate from analogy to digitalization.

The ITU gave Zimbabwe a grace period by extending the deadline nonetheless, BAZ irresponsible for administering the project failed to complete the project due to resource constraints. However, an anatomy of the scenario demonstrates that there could be lack of political will which then manifest as lack of financial resources. Vunga (2018) reinforce this view by arguing that, the cost benefit analysis of the program projects suggest that upon completion, four million jobs would be created and earn more than US \$1.5 billion per year for content producers. Television channels are anticipated to broadcast 24 hours a day which translates to 288 broadcasting hours per day and 2016 broadcasting hours for the 12 stations (Vunga (2018).

## **REMEDIAL ACTIONS WHICH CAN BE ADOPTED**

### **Politics-Administration Dichotomy**

The theory of politics-administration dichotomy is credited to Woodrow Wilson. In 1887, Woodrow Wilson wrote "The Study of Administration" which vehemently dismisses the linkage of politics and administration (Stillman, 1973). Wilson argued that the field of administration is a field of business and it is detached to the strife of politics as it lies outside the sphere of politics. Wilson noted that administrative goals are not the same with political goals despite the fact that politicians set tasks for administrators (Stillman, 1973). According to Wilson, politicians should just assign tasks to administrators and then allow them to implement. This is the only way the public sector can attain organisational optimum efficiency (Chilunjika & Mutizwa, 2019). Thus, the politics-administration dichotomy is sound and viable and this research uses the concept as a panacea to address problems that e-government projects are encountering due to political interference. The separation of politics from projects administration would result in project efficiency as there is likely to be less hurdles to deal with (Zhou (2012). It will also culminate in the minimisation of rent-seeking tendencies from politicians (Chulunjika & Mutizwa 2019).

### **Amalgamation of BAZ and POTRAZ Autonomy**

The study recommends that BAZ and POTRAZ be merged into one institution to promote the ease of doing business and support e-government projects by eliminating parallel lines of regulatory command. The suggestion is not a new phenomenon as it will resonate with the proposed reforms in the Transitional Stabilisation Policy (2018-2020). This is because BAZ and POTRAZ at times participate in similar activities for example, the International Telecommunications Union (ITU) (Moyo et al, 2015). This demonstration of the interconnectedness of the two institutions should be a compelling reason for such a merger to ensure efficiency and effectiveness in operations, and economy in use of scarce resources.





### **Adoption of Good Corporate Governance Practice**

To deal with corruption, this study recommends the adoption of good corporate governance. This research suggests a focus on transparency, accountability, responsibility, integrity and whistleblowing as possible pillars that can be utilized to flush out the cancerous and malevolent effects of corruption in e-governance projects. The promotion of good corporate governance in the public sector is likely to culminate in deterrence of unethical behaviour. Corporate governance should be backed by punitive measures.

### **Public Private Partnership (PPP) / Joint Venture**

The adoption of PPP to curb resource constraints is another recommendation that could be implemented. PPP allows private organisations to bring in the much-needed resources for the success and completion of e-government projects (Gichoya, 2005). It is a remedial action that has been adopted and tested in many countries (Cheng et al 2015). This can be evidenced by how Singapore after its independence formed Government Linked Companies, a joint venture and partnership with the private sector to bring about transmutation in its economy (Cheng et al 2015).

### **CONCLUDING REMARKS**

E-government has been shown to improve public service delivery. This research examined the factors that have constantly hindered the success of e-government projects in Zimbabwe. The study highlights factors of corruption, lack of resources, conflicting legal and regulatory frameworks and political interference as main hindrances to successful implementation of e-government projects in Zimbabwe. The study proffers viable recommendations to create a pathway for the successful implementation of projects. While the study does not cover every factor, it functions as a springboard for further studies in dynamics that are hindering the success of e-government projects in Zimbabwe, Africa, and the rest of the world.

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# THE LION - BEAR ALLEGORY: IMPACT OF SANCTIONS ON ZIMBABWE AND THE RELATED NEO-IMPERIAL NARRATIVES

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## ABSTRACT

Zimbabwe is a landlocked Southern African country that formerly gained independence and statehood in 1980, ending ninety years of settler colonialism. The country has been under the US - EU sanctions since the turn of the millennium. There are diametrically opposing views with regards to the question of why sanctions were put in place in the first place. This study, however, does not dwell on the circumstances behind the imposition of economic sanctions but explores their impact on the generality of Zimbabweans and why they are categorised as a neo imperial tool. Neo-imperialism, also known as neo-colonialism, is a policy that seeks to perpetuate the domination of the previously colonised regions. The researcher employs the biblical lion - bear allegory to explore the impact of sanctions on developing countries in the context of Zimbabwe. The study used qualitative techniques of data collection and analysis. The implementation of the US- EU sanctions have made it very difficult for Zimbabwean businesses to operate both within Zimbabwe as well as with other foreign institutions. This has led to significant haemorrhage of the Zimbabwean economy, company closure and high levels of unemployment.

## INTRODUCTION

Zimbabwe is a landlocked Southern African country that formerly gained independence and statehood in 1980, ending ninety years of settler colonialism. The country has been under the US - EU sanctions since the turn of the millennium. This paper makes the argument that the impact or the effects of the USA - EU sanctions on Zimbabwe can be explored through a neo-imperialist narrative. Citing contemporary cases, this paper seeks to substantiate the argument that the sanctions regime undermines the sovereignty of Zimbabwe and it is a form of imperialism that employs ' soft power ' rather than military power to ensure that the states that are relatively powerful gain economic advantages over the developing world. The researcher uses the ' lion - bear ' allegory to illustrate how neo-imperialism in the form of sanctions is equally deadly to its predecessor regime - the imperialism of the nineteenth and twentieth century.

### Neo-imperialism/Neo colonialism

For the purpose of this paper, the researcher uses the terms neo-imperialism and neo-colonialism interchangeably. Ardant (1965) attributes the origin of the term neo-imperialism to the writings of Jean- Paul Sartre - an anti-colonial activist in the twentieth century. Crozier (1964) goes way back to identify the origin of the concept of neo-imperialism in Leninist philosophy of the first quarter of the twentieth century where it was used in reference to a new form of domination applied after the colonial period in the would-be independent states.

Vajrushev (1974) defines neo-colonialism as a colonial policy that is put in place by the imperialist powers with new hidden mechanisms to reinforce capitalism, maximise profits and maintain the economic, political, ideological, and military influence of the colonial times. Martin (1985, p.191) citing the All-African People ' s Conference of 1961 Resolution on Neo-colonialism, defined the term as " the survival of the colonial system in spite of formal recognition of political independence in emerging countries, which become victims of an indirect and subtle form of domination by political, economic, social, military, or technical means. "

It is this definition that is further reinforced and explored by Nkrumah (1965). According to Nkrumah, the ultimate nature of neo-colonialism is that the state is theoretically and officially an independent and sovereign entity, while in reality its economy and political policies are directed from the outside (Nkrumah, 1965).



### **The Lion - Bear Allegory**

A Leninist perspective identifies neo-colonialism as an adapted form of colonialism, which takes advantage of the weakness of the newly decolonised states to achieve economic, political or cultural benefits (Ardant, 1965). Badi (1991) notes that the goal would still be the same as it was during colonialism, which is to maintain the former colonies in a dependent position, which allows economic exploitation. Taking the statement by Nkrumah (1965) that neo-colonialism represents imperialism in its final and perhaps its most dangerous stage, this researcher employs the lion - bear allegory to understand the impact of sanctions on developing countries in the context of Zimbabwe.

Colonialism was deadly and undesirable (McQuade, 2017). The people in the countries that were subdued, Zimbabwe included, took up arms to regain their right to self-determination. Fanon (1963) notes that for a very long time, the natives devote their energies to ending certain definite abuses by the colonial masters, limitation of political rights, inequality, forced labour, among other issues. However, soon after the attainment of independence, the 'most dangerous stage' of imperialism soon rein in. The former colonial masters and their allies, team up to entrench the imperialist policies, this time around in a more subtle but effective manner. The researcher, therefore, assumes that, in line with the quotation from the scriptures that the situation is that of 'a man who flees from a lion only to have a bear confront him'. The researcher likens the original state of colonialism to a lion because it is given and generally admitted that it is deadly. In the same vein, neo-colonialism (the bear, in this allegory) has all the features that presents it as an easy to tame and harmless creature while in reality it is much more dangerous than the lion.

### **Nature of Economic Sanctions on Zimbabwe**

Sanctions can be defined as 'official orders such as the stopping of trade, which is taken against a country in order to make it obey international law'. The US has a two-pronged sanctions regime on Zimbabwe. The first is the Zimbabwe Democracy and Economic Recovery Act of 2001 (ZIDERA) and as subsequently amended in 2018. The second, which the USA refers to as a 'targeted sanctions program' are enunciated in the Executive Order 13288 that was signed by US President George Bush and effectively came into being on March 10, 2003.

The US sanctions on Zimbabwe are guided by the Office of Foreign Assets Control (OFAC) that enforces economic and trade sanctions based on US foreign policy, and the Zimbabwe Democracy and Economic Recovery Act (Musarurwa, 2019). The European Union (EU) sanctions on Zimbabwe comprise of an arms embargo, as well as an asset freeze and travel ban on 'targeted people and entities.' The EU sanctions on Zimbabwe was first imposed in 2002, by Common Position 2002/145/CFSP. It is not the aim of this paper to separate or differentiate the US and the EU sanctions on Zimbabwe. This focus is on analysing the impact of the aforementioned economic sanctions on Zimbabwe.

### **METHODOLOGY**

This study used qualitative techniques of data collection and data analysis. Qualitative research seeks to understand and explore social phenomena (Matthews & Ross, 2010). The researcher used this approach to understand and explore the impact of the US-EU sanctions on Zimbabwe. The main data collection methods that are used in this research paper are documents as well as media content analysis. This article draws and refers to newspaper articles as well as other secondary sources on the issues of sanctions on Zimbabwe. Experiential knowledge defined by Schubert and Borkman (1994) as 'information and wisdom gained from lived experience' was also applied by the researcher to critically analyse data from other sources.

### **Impact of Economic Sanctions on Zimbabwe**

The economic embargo on Zimbabwe makes it extremely difficult for the country to attract investments. The fear of OFAC penalties often leads to a situation where US firms generally stay clear of Zimbabwe. A typical case involves a case where General Electric Africa, a major US firm, despite having and showing interest in the proposed US\$1.6 billion Batoka power project in Zimbabwe, pulled out due to the threat of sanctions. After a careful cost and benefit analysis, the firm decided that Zimbabwe was not worth the risk. In another case, the Industrial Development Corporation (IDC) of South Africa at one point granted the Industrial



Development Corporation (IDC) - a state-owned entity - a US\$18 million loan but eventually turned down the offer due to the fear of falling foul of the US. Similarly, earlier in 2016, the Standard Chartered Bank ordered that the IDC close its accounts with the bank. The fears by these institutions were indeed credible and not imaginary as was later discovered in the Barclays case. Barclays plc had to pay a \$2.5 million settlement to the US Treasury after processing 159 IDC related transactions worth \$3.4 million between 2008 and 2013 (Chitiyo, Vines & Vandome, 2016).

#### **(a.) Restricted international Opportunities for Zimbabweans**

The narrative is that the economic sanctions are targeted on certain individuals and institutions and thus it is argued that they present no harm to the generality of Zimbabweans and the 'non targeted' institutions. However, there are several examples to the contrary. The sanctions affect and have affected Zimbabwean nationals even those that are into humanitarian initiatives. Zimbabweans often get passed up by opportunities such as scholarships, fellowships, awards among others simply because 'the country does not qualify.' For instance in 2017, after a child rights campaigner, Nyaradzayi Gumbonzvanda had been nominated for a CNN Heroes Programme award for her humanitarian work was disqualified because Zimbabwe was (is still) listed among 'voided countries' whose citizens do not qualify for the CNN award.

The so-called targeted economic sanctions against state enterprises, effectively translate to sanctions against the citizens due to the significant contribution of state enterprises to the national income. It is estimated that state enterprises account for 14 percent of Zimbabwe's GDP, thus making them a key part of the economy. State utilities are key to any economy's growth and it is a fact that these institutions largely depend on foreign or international loans for their capital expenditure. Due to the economic embargo on Zimbabwe and the OFAC restrictions, access to such loans has mostly dried up.

#### **(b.) Cut Off from World Banking System**

The United States of America, being a state with significant economic capacity, effectively means that most transactions go through the US system. Some private funds belonging to Zimbabwean citizens have frequently been held up or delayed even though the individuals involved would not have been on the list of 'targeted' individuals. A case was reported in the local press, involving a Zimbabwean couple in the UK. They had transferred an amount of US\$30,000 for a property in the local town of Chinhoyi. The transaction was blocked by the US, because the Chinhoyi Town Council's bank, ZB Bank, was then on the sanctions list.

The cut-off of credit lines was also mentioned by Strive Masiyiwa, the founder of Econet Wireless - a telecom giant with investments across Africa, in a 2019 meeting of Afreximbank clients:

'When sanctions hit the country, every credit line disappeared. You could not talk to anyone, they were shutting down...For small businesses, getting payments from foreign clients means having to jump through hoops. For instance, until 2013, you couldn't open a PayPal account from Zimbabwe. When you tried to access the system, you got the message: "Error 3028: You have accessed your account from a sanctioned country."

#### **(c.) Restricted Business Dealings With US Firms**

Companies based in the United States are reluctant to deal with Zimbabweans, even those who are not connected to any of those individuals and entities on the sanctions list. Many Zimbabwean businesses have found themselves shut out from partnerships with American firms. A young Zimbabwean entrepreneur, Takunda Chingonzo, appealed to the then US President, Barack Obama in 2014. Chingonzo argued that although he had nothing to do with the Zimbabwe Government, his small business was still affected by the sanctions.

#### **(d.) Severe Loss of Opportunities**

As highlighted from the case of Chingonzo, sanctions come with severe losses of opportunities. Zimbabwe has not been eligible for the opportunities that are created through the African Growth and Opportunity Act



(AGOA), since this Act came into being. The African Growth and Opportunity Act (AGOA) is a United States trade legislation that significantly enhances market access to the US for qualifying Sub-Saharan African (SSA) countries which was enacted in May 2000 and has since been renewed to 2025. By losing eligibility to AGOA, Zimbabwe is not only losing the benefits to lower tariffs to the United States, but also benefits of cheaper and affordable imports from America.

The case of the Industrial Development Corporation can also illustrate how sanctions result in severe loss of opportunities. The Industrial Development Corporation (IDC), a wholly State-owned enterprise, is one of the Zimbabwean institutions that were listed under sanctions until 2016. The entity had a shareholding interest in several companies including Sable Chemicals, Chemplex, Olivine Industries, and the Zimbabwe Fertilizer Company (ZFC). Against significant odds, in 2013, the IDC successfully managed to get a loan from Trade and Development Bank, a financial arm of the Common Market for Eastern and Southern Africa (COMESA). The US\$2 million loan that was meant for the Olivine plant rehabilitation and raw materials was seized by the United States' Office of Foreign Assets Control (OFAC). This immediately crippled operations at Olivine Industries. All in all, it has been reported that over the years, the IDC has lost over \$20 million to seizures by OFAC. One of its subsidiaries, Zimbabwe Fertilizer Company (ZFC) has over \$5 million frozen. Without the resources and financial capacity, the ability of ZFC to produce sufficient fertiliser for Zimbabwean farmers is curtailed.

#### **(e.) High Credit Costs**

Due to the economic sanctions, on average, it costs more for Zimbabwean businesses to raise capital offshore to run their businesses than it does for countries not under restrictions. The case of ZB Financial Holdings, as well as the Agribank may be useful in illustrating this point. The Government of Zimbabwe directly held 24 percent stake in ZB Holdings while the National Social Security Authority (NSSA) had a 38 percent stake. While the bank was on the list, from 2001 to 2016, it could not access affordable lines of credit for its clients, most of whom were private sector enterprises. The Commercial Bank of Zimbabwe (CBZ) was also a victim of the OFAC fines after handling the ZB bank transactions while it was under sanctions. For that the CBZ incurred a \$385 million penalty from OFAC. Because of the high-risk profile, Zimbabwean companies that borrow have to pay more for the loans they need to do business. At the very least, it means that Zimbabweans have to pay more for goods and services. At most, high credit costs make it harder for companies to remain in business, let alone expand. This obviously has led to massive retrenchments and high levels of unemployment in Zimbabwe.

#### **(f.) De-risking of Zimbabwean Financial Institutions**

Durner and Shetret (2015) defines de-risking as the existing relationships among financial institutions and the practice of closing down the accounts of clients that are considered as high-risk. Under an arrangement called the correspondent banking relationships (CBRs), banks operate on the basis of relationships with other banks around the world and these CBRs are important in that they make it possible for a company in one country, to pay for goods or services outside that country.

According to the Reserve Bank of Zimbabwe (RBZ) data (cited in Erbenova, et al, 2016), Zimbabwe has lost at least 102 such relationships over the past decade (2005 to 2015) partially because of the economic sanctions. The loss of these CBRs is also one of the reasons why the cost of sending remittances to Zimbabwe is high (Erbenova, et al, 2016). Notwithstanding the fact that Zimbabwe had already been barred from accessing credit from the Bretton Wood Institutions prior to the economic embargo, ZIDERA entrenched the exclusion of Zimbabwe from accessing new funding or debt relief from the World Bank, the International Monetary Fund (IMF) or any multilateral finance institution where the US has influence. The prospects of Zimbabwe getting credit even from the African Development Bank are curtailed by the provision that the African Development Bank could be penalised if it extends any debt or debt relief program to Zimbabwe.

‘ The United States Government shall withhold funding for the African Development Fund equivalent to any funding provided to Zimbabwe through Pillar II for arrears clearance. ’



## **THE SANCTIONS REGIME ON ZIMBABWE AND NEO-IMPERIALISM**

One of the reasons why the sanctions regime on Zimbabwe is considered neo-imperialist is that the stipulated requirements for removal are in practice and reality unattainable, and may significantly constitute a fundamental infringement on Zimbabwean sovereignty and municipal law. The Zimbabwe Democracy and Economic Recovery Act as amended in 2018, states that ‘ Zimbabwe and the Southern African Development Community (SADC) should enforce the SADC tribunal rulings from 2007 to 2010 including 18 disputes involving employment, commercial, and human rights cases surrounding dispossessed Zimbabwean commercial farmers and agricultural companies. ’

One of the notable rulings of the SADC Tribunal that the US says ought to be enforced relates to the case of Mike Campbell and 78 Others v the Republic of Zimbabwe. In that case, among other things, the SADC Tribunal ruled that the applicants (Campbell and 78 others) were entitled to compensation for the expropriation of their lands. Campbell and the 78 were some of the white farmers who were affected by the Fast Track Land Reform Program and subsequently Constitutional Amendment No 17 that gave the government the power to compulsorily acquire land without any amount payable for the land itself but the developments on the land. In relation to the SADC Tribunal decisions, the High Court of Zimbabwe ruled that the SADC Tribunal ’ s decisions could not be enforced in Zimbabwe because it was against the Constitution. Thus, the demand by the United States that the decision of the SADC Tribunal should be implemented so that the removal of sanctions be considered constitutes an infringement of the doctrine of state sovereignty, that is the right of a state to self-determination and control of the issues within its territory.

Furthermore, the provisions of the Constitution of Zimbabwe (2013), Section 295, only allows compensation for ‘ indigenous Zimbabweans ’ and those under Bilateral Investment Promotion and Protection Agreements (BIPPAs). The commercial white farmers who owned the land before the fast track Land Reform Program are only ‘ entitled to compensation from the State only for improvements that were on the land when it was acquired ’. The insistence on the need to reverse the land reform program against the provisions of the Constitution is arguably a neo-imperialist move that can potentially reverse the fundamental goals and achievements of the struggles against colonialism in the twentieth-century struggle.

## **CONCLUSION**

This paper concludes that the impact of sanctions on Zimbabwe is so broad and has caused significant suffering among the various quarters of the Zimbabwean population. This paper argues that the sanctions regime on Zimbabwe is a neo imperialist tool characterised by serious attempts at directing the domestic economic system and political policies from outside. The reforms that are stipulated by ZIDERA as the basis for any consideration for sanctions removal undermines the municipal law and domestic policies of Zimbabwe. The implementation of the US- EU sanctions have made it very difficult for Zimbabwean businesses to operate both within Zimbabwe as well as with other foreign institutions. This has led to significant haemorrhage of the Zimbabwean economy, company closure and high levels of unemployment. There is a need for Zimbabwe and parties imposing sanctions on her to find each other. There have been efforts at doing so through the Zimbabwe policy of re-engagement. However, the progress seems very slow due to lack of trust and probably political will on both sides.

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# **ENTREPRENEURSHIP AND JOB CREATION IN RURAL SUB-SAHARAN AFRICA: A CASE STUDY OF SELECTED TONY ELUMELU FOUNDATION ENTREPRENEURS IN NIGERIA AND KENYA**

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## **ABSTRACT**

The bulk of the poor in sub-Saharan Africa live in rural areas and Entrepreneurship is often used as a tool to curb poverty across communities. This study investigates the impact of entrepreneurship on employment and economic livelihoods in selected rural communities in Nigeria and Kenya using a Theory of Change framework. A combination of descriptive and exploratory techniques was used to analyze the data gathered from interviews conducted among 40 respondents comprising Tony Elumelu Foundation Entrepreneurs working in rural communities and residents of the selected communities. Findings show that entrepreneurship contributes to the employment of locals in the communities, especially in sectors like Agriculture and Manufacturing. The study recommends that international organisations, government, and the private sector should support the growth and expansion of entrepreneurship which would provide direct employment for rural dwellers and consequently sustain livelihoods.

**Keywords:** Entrepreneurship, employment, rural area

## **INTRODUCTION**

Poverty has been a challenge to the developing world and in Sub-Saharan Africa in particular. As a result, several programmes such as the millennium development goals launched in 2005 targeted to poverty and other development challenges (MDGs report, 2015). The sustainable development goals launched in 2015 succeeded the millennium development goals in achieving global development goals over fifteen years (Osborn et al, 2015). Despite, global and regional development programmes implemented over the past thirty years, poverty eradication in sub-Saharan Africa has not seen so much improvement as other regions in the world. For instance, while the poverty situation in East Asia and South Asia reduced from 61.35 percent to 24.50 percent and 7.93 respectively, sub-Saharan Africa saw a reduction from 52.71 percent to 46.81 percent from the year 1980 to 2011 (World Bank Report 2015b).

On the other hand, there is a consensus that entrepreneurship is a viable tool for poverty eradication (Asitik, 2016). Since the bulk of the poor lives in sub-Saharan Africa, it is the promotion of entrepreneurship touching urban as well as rural areas that stands as a viable solution to poverty.

Nigeria has over the years taken up entrepreneurship programmes to boost rural development popular through the Small and Medium Enterprises Equity Investment Scheme (SMEEIS) in 2008 and the Rural Financial Institution Building Programme (RUFIN) in 2009. In the same line, Kenya has also adopted similar programmes namely: Micro Small and Medium Enterprise (MSME) Competitiveness Project in 2004 and Assistance to Micro and Small Enterprises Programme (ASMEP) in 2007.

Interestingly, private philanthropic organisations like the Mastercard Foundation and the Tony Elumelu Foundation have also supported the development of entrepreneurship across Africa. In particular, the Tony Elumelu Foundation rolled out her entrepreneurship support programme dubbed the Tony Elumelu Entrepreneurship Programme (TEEP) in 2015 intending to empower 10,000 entrepreneurs across Africa. The rest of the research includes literature review, methodology, findings, and conclusion.





## OBJECTIVES OF THE STUDY

This study investigates the community development impact of a selected number of beneficiary entrepreneurs from the Tony Elumelu Entrepreneurship Programme in rural Nigeria and Kenya. The major objective of this study is to investigate the economic impact of entrepreneurs in creating jobs and wealth in selected rural communities. The objectives are specifically stated below:

1. To ascertain the impact of jobs created by Tony Elumelu Foundation entrepreneurs in selected communities in Nigeria and Kenya.
2. To identify important issues surrounding the employment created by the entrepreneurs.

## LITERATURE REVIEW

### **The Tony Elumelu Entrepreneurship Programme**

The Tony Elumelu Foundation Entrepreneurship Programme (TEEP) was initiated in 2015 by the Tony Elumelu Foundation (TEF). As part of the organisation's effort to fight poverty and unemployment in Africa, the programme aims to raise 10,000 entrepreneurs that will create 1,000,000 jobs in Africa and contribute about 10 billion dollars in revenue over ten years. In a bid to make this possible, the programme has committed 100 million dollars to fund startups over a period of ten years.

Four years after its launch, the programme has trained 4,470 entrepreneurs and given out seed capital worth US\$ 5000 to each selected trainee after their training. The programme expects its participants to engage in business ventures capable of growing and generating employment and wealth.

### **Entrepreneurship, Job Creation, and rural development in sub-Saharan Africa**

Driving entrepreneurship for employment creation in rural sub-Saharan Africa is underpinned in rural entrepreneurship. Rural entrepreneurship was described by Okeke and Nwankwo (2017) as the application of the principles of entrepreneurship in a rural (non-urban) setting, which births economic growth and development as evidenced by clear cut indicators such employment, wealth and income generation. This ultimately pulls such rural communities out of the global poverty bracket.

Petrin (1994) highlighted that in various quarters around the world, there is a consensus that the pod of rural entrepreneurship carries the seed of employment generation in rural communities, thus urgent support must be given in the development of rural entrepreneurs by respective agencies and stakeholders alike.

The potential of entrepreneurship for job creation in a rural community in Nigeria was underscored in a study by Okeke and Nwankwo (2017). The study adopted an exploratory research design and involved 200 randomly selected rural entrepreneurs in Umunya, Akwuzu, Nkwelle, Ogbunike and Nteje communities of Oyi local government area of Anambra State. Data were analysed using descriptive statistics and results showed that rural entrepreneurs created employment, wealth and increased income and improved the standard of living for the rural populace.

In South Africa, Oyelana and Adu (2015) investigated the link between SMEs, employment Generation and poverty reduction through a self-administered questionnaire among 50 SME owners in Fort Beaufort, Eastern Cape Province of South Africa. The study revealed that SMEs play a role in creating employment and reducing poverty in the study area. A similar study carried out in Ghana by Asitik (2016) showed that opportunities for entrepreneurship and creativity were available in rural areas in Northern Ghana and could be employed to solve poverty in the communities. The study which employed a multi-case approach also revealed that infrastructure is a challenge that must be attended in other to enhance the growth of rural entrepreneurship.

Another study highlighted employment generation patterns in rural Tanzania through non-farm enterprises shows that MSMEs constitute 75% of enterprises in rural settings, and they contribute significantly to employment generation in Tanzania (Diao, Magalhaes & Mcmillan 2018). In the same line, Page and

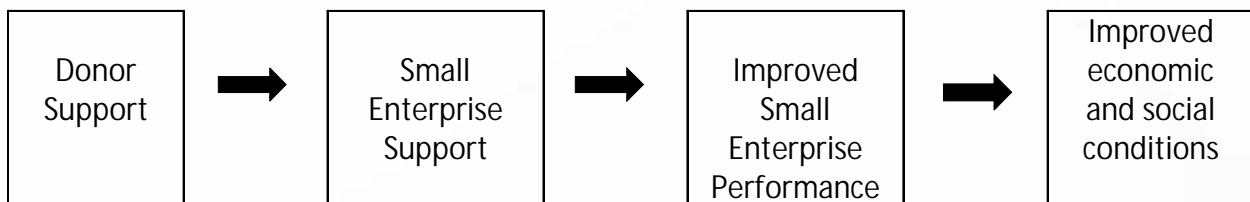


Söderbom (2015) studied the employment contribution of SMEs in Kenya and eight African countries. Employing the use of descriptive statistics, the study reveals that small firms have a much higher turnover of employment, however, they paid lower wages compared to large firms. Furthermore, the study recommends government support for small firms to boost employment creation.

This study apart from contributing to the body of literature on entrepreneurship and rural development adopts a qualitative approach namely exploratory analysis in unveiling the impact of jobs created by entrepreneurs supported by an African indigenous entrepreneurship programme-The Tony Elumelu Entrepreneurship Programme (TEEP). The study goes further to provide a detailed overview of the quality of employment provided by entrepreneurs in rural areas and the overall impact of employment on the livelihoods of rural dwellers.

### THEORETICAL FRAMEWORK

Theory of Change (Oldsman and Hallberg 2002) - As cited by Robinson, Dassie & Christy (2004), the theory of change postulated by Oldsman & Hallberg (2002) states that entrepreneurship programs that support small-medium sized entrepreneurs are established to improve the socio-economic lives of the rural populace that the enterprise serves. The figure 1 below illustrates this theory



**Figure 1:** *Theory of Change*

**Source:** Robinson, Dassie & Christy (2004)

In Figure 1, the donor is the Tony Elumelu Foundation (TEF) that runs the annual Tony Elumelu Entrepreneurship Program (TEEP) where a donor support grant of \$ 5000 (NGN 1, 500,000 & KSH 529,989) is awarded annually to selected one thousand micro, small and medium scale entrepreneurs across sub-Saharan Africa. It is expected that the supported enterprises will experience some level of improvement in terms of profits, impact, growth and sustainability in the coming years. This improvement is expected to be translated to improved economic and social conditions in rural communities where the enterprises operate, which can be measured in jobs created and employment

This theory implies that a fundamental principle for building an entrepreneurship program such as the Tony Elumelu Entrepreneurship Program (TEEP) is the notion that supported enterprises positively transform the lives of the rural communities that their enterprises serve.

### DATA AND RESEARCH METHODS

This research employs the use of quantitative and qualitative methods and data. Data was collected via interviews guided by a mixture of structured and semi-structured questionnaires.

The interviews were carried out by one of the authors as part of the “Supporting Entrepreneurs in Africa Research Project”.

#### *Study Sample*

The study sample comprises 40 respondents as a whole. 10 selected entrepreneurs located in rural communities in Nigeria and another 10 in Kenya. The entrepreneurs were selected from the Tony Elumelu Entrepreneurship Programme database provided by the Tony Elumelu Foundation (TEF) who were part of the research project. Also, interviews were conducted among 10 individuals in the various communities in Nigeria and another 10 in Kenya.



### Study Setting

This study has a rural setting. We define a rural setting as a location outside a city with little or no social amenities as compared to an urban metropolis.

### Descriptive analysis

This study employs the use of descriptive analysis to present observations that emanate from the field interviews conducted in the course of the research. Descriptive analysis is used to describe the basic features of the data in a study to make it easy to understand. According to Zichmond (2003), descriptive analysis involves both nominal, ordinal and ratio measures of data and provides much information about the group under study.

### Exploratory analysis

Also, the study made use of exploratory analysis to supplement the descriptive analysis. Exploratory analysis is exploratory in nature and gives details about variables of interest. According to Sarantakos (2005), the exploratory methodology is useful for the fact that its aims are open and explorative and it involves detailed communication between interviewer and respondents and it is flexible about the choice of research instruments and procedures. Usually, exploratory methodology employs the use of an open-ended or semi-structured questionnaire.

The following table highlights the study areas

**Table 1:** Table showing interview locations in Nigeria and Kenya

| S/N | Nigeria -Interview locations                       | Kenya- Interview Locations          |
|-----|--|-------------------------------------|
| 1   | Ugbetulu, Idah, Kogi State,                        | Taveta, Taiti-Taveta County         |
| 2   | Iganke, Ikorudu, Lagos state                       | Mwea, Mwea County (2 interviews)    |
| 3   | Gbazumu village, Kaduna state, Nigeria             | Samburu, Nairobi county             |
| 4   | Ilorin East Local Government, Kwara State          | Nairobi county (2 interviews)       |
| 5   | Mkar village, Gboko Local government, Benue State. | Kitale, Nakuru County               |
| 6   | Anpka, Makurdi Local Government, Benue State       | Naivasha , Nakuru county            |
| 7   | Molette, Village, Kwara state                      | Nakuru, Nakuru Conty                |
| 8   | Odo ona village, Ado-Ekiti, Ekiti State            | Karatina village, Kara -Tina County |
| 9   | Ibadan, Oyo state                                  |                                     |
| 10  | Lugbe, Abuja                                       |                                     |



## DEMOGRAPHIC CHARACTERISTICS OF ENTREPRENEURS IN THE STUDY

**Table 2:** Gender Distribution of Entrepreneurs

| Gender | Kenya | Nigeria | Total | Total<br>(Percentage, %) |
|--------|-------|---------|-------|--------------------------|
| Male   | 8     | 7       | 15    | 75                       |
| Female | 2     | 3       | 5     | 25                       |
| Total  | 10    | 10      | 20    | 100                      |

*Source: Fieldwork, 2019*

Table 2 shows the gender of the participating entrepreneurs for Kenya and Nigeria. Overall 15 males were interviewed constituting 75% while 5 females constituting 25% of the business owners that were interviewed. This clearly shows that more male entrepreneurs participated in the study. For Kenya, 8 males and 2 females are among the entrepreneurs interviewed. While there are 7 males and 3 males for Nigeria.

**Table 3:** Age of respondents

| Age range | Kenya | Nigeria | Total | Percentage (%) |
|-----------|-------|---------|-------|----------------|
| 20 to 30  | 2     | 0       | 2     | 10             |
| 31 to 40  | 6     | 7       | 13    | 65             |
| 41 to 50  | 2     | 3       | 5     | 25             |
| Total     | 10    | 10      | 20    | 100            |

*Source: Fieldwork, 2019*

Table 5 shows that the majority of the entrepreneurs fell within the age range of 31 to 40 which constitutes 65% of the respondents, followed by the age range of 40 -51 comprising 25% and 21 to 30 comprising 10% of the respondents. For Kenya, 2 business owners fell between the range of 20 to 30, 6 fell into the 31 to 40 range while 2 fell within the 41 to 50 range. In Nigeria, 7 business owners fell within the age range of 31 to 40 while 3 fell within the 41 to 50 range.

**Table 4:** Educational attainment of Entrepreneurs

|                              | Kenya | Nigeria | Total | Total<br>(percentage) |
|------------------------------|-------|---------|-------|-----------------------|
| Secondary school certificate | 1     | 0       | 1     | 5                     |
| National Diploma             | 2     | 0       | 2     | 10                    |
| HND/ First Degree            | 6     | 9       | 15    | 75                    |
| Postgraduate degree          | 1     | 1       | 2     | 10                    |

*Source: Fieldwork, 2019*

Table 4, shows the educational attainment of the business owners. As can be seen, the majority of the respondents in both Kenya and Nigeria have obtained an equivalent of a first degree or Higher National Diploma (HND). 15 respondents comprising 75% of the respondents from both countries fall within this category. This implies that most of the entrepreneurs have attained higher education equivalent to a university degree 2 respondents each have an equivalent of a National Diploma or a Postgraduate degree on the overall, while only 1 respondent (from Kenya) has a secondary school certificate.



## DISCUSSION OF FINDINGS

### Impact of Jobs Created by Entrepreneurs on Rural Communities

From the survey, a total of 345 jobs have been created in the selected communities by entrepreneurs in both countries.

The availability of jobs is a boost to the livelihoods of community residents. They can afford food and other basic amenities like healthcare and education as well as take care of the needs of dependents.

A certain resident of a particular community who is employed by one of the entrepreneurs visited has this to say:

*"I was paid 20,000 naira (US \$ 55) initially but they want to increase it to 25,000 naira (US \$ 69) and yes (I work here full time and I use my salary to take care of my family)."*

The above statement reveals how much impact entrepreneurs have on rural communities in rural communities where job opportunities are scarce.

This finding on jobs created by entrepreneurs and its impact on the rural communities is corroborated by the findings of Okeke and Nwankwo (2017), Oyelana and Adu (2015), Asitik (2016) and Diao, Magalhaes & Mcmillan (2018) that shows entrepreneurship significantly created jobs in rural communities. Similarly, Sinxoto (2007), submits that SMEs play an important role in the creation of employment opportunities, and therefore contribute to a large extent to poverty reduction.

### Important Issues Surrounding The Employment Created By Entrepreneurs.

#### Seasonality and Temporary Jobs

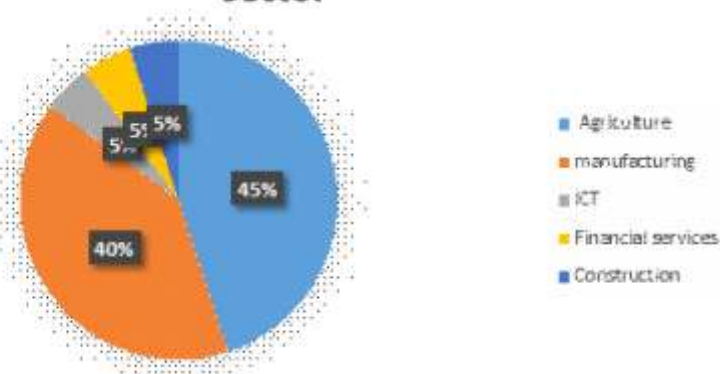
Majority of the jobs created are temporary in nature due to seasonality in production. Sectors like agriculture are the most affected in this category as the rains and dry season determine when crops will be harvested and processed. Entrepreneurs in a bid to save costs often dismiss workers whose services are not required during a season, with the hope of calling them back. This creates job uncertainty for the rural dwellers who have a limited scope of jobs to choose from. During fieldwork, it was observed that some of the temporarily dismissed workers stay around business premises in the hope that they will be asked to resume soon. Some others choose to work for free as against staying idle. For instance, one entrepreneur has this to say:

*"When we have work to do we call them like you see we are working at the moment we call them. Some of them still stay behind because they do not have other jobs"*

The above statement reveals that once temporary workers are paid and laid off pending when work resumes, they often hang around company premises in the hope of being called back. Due to the lack of intense economic activities in rural communities, such workers may remain unemployed for a considerable period.

#### Employment by Sector

Figure 4.1 Employment Contribution by Sector



Source: Fieldwork, 2019



Agriculture is the highest employer of labour in Africa and the findings from this study confirm it to be so. Likewise, the manufacturing sector also appears to provide a sizeable number of jobs in this study as is shown in the chart above. The two sectors often require a lot of hands in their production activities hence they can employ so much labour compared to other sectors in the communities. One of the entrepreneurs speaks further on the employment potential of her firm which is in the agricultural sector.

“At the moment we have about 50(workers). Some of them are scattered in various forms to look at the performance of the farm. How are the produce doing did we achieve what we wanted to do. Some of them are around and we are getting ready for full-scaled production. This is agriculture so the number of workers has to be much,. So we are about 50 for now. by the time we begin full scale, we will have even more people around, we will have a lot of unskilled labourir.

These findings support previous studies that have argued that agriculture has the potential to provide reasonable employment for Africans (Sunberg et al, 2017).

### **CONCLUSION AND RECOMMENDATION**

This study investigates the impact of entrepreneurship on job creation in Nigeria and Kenya, with a focus on rural communities in both countries. It employs among 20 respondents in each country comprising Tony Elumelu Foundation Entrepreneurs and individuals in rural communities. Concerning selected rural communities in Kenya and Nigeria, the study finds that entrepreneurs are an important source of employment and livelihood in communities in both Kenya and Nigeria. Entrepreneurs employ more temporary workers than full-time workers due to cost considerations by Entrepreneurs. Entrepreneurs in Agriculture and manufacturing employ more workers than in other sectors.

Arising from the findings of this study, the following recommendations are made for policy action:

- The government should support the growth and expansion of Entrepreneurs which will provide direct employment for rural dwellers, and indirectly engage others in economic activities such as the provision of raw materials for the Entrepreneurs.
- The Tony Elumelu Entrepreneurship Programme (TEEP), other private philanthropic organisations and the government should give priority support to Entrepreneurs in Manufacturing and Agriculture because of their high employment potential to provide adequate employment for the unemployed in rural communities.
- Local investors should consider moving into rural markets to meet the demand for certain raw materials and inputs that are not sold in such markets.
- Entrepreneurs can serve rural communities better by producing finished goods that can be used by consumed by rural communities.

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## **CORPORATE AT-TAX ON AFRICA: WHAT AFRICAN STATES CAN LEARN FROM THE OECD'S REGIME FOR COMBATting AGGRESSIVE TAX PRACTICES**

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### **ABSTRACT**

Aggressive tax practices are significantly detrimental to developing countries in Africa not just to their economies or the strengths of their legal frameworks, but also to the organizational structures needed for the operation of society and good quality of life in these countries. However, it is possible to reduce and reverse the detrimental effects of aggressive tax practices by employing an effective regime that tackles the issue. This article evaluates whether the Organization for Economic Cooperation and Development (OECD), successfully combats aggressive tax practices carried out by multinational enterprises (MNEs) and how the African Union may learn from the OECD's efforts when forming its own regime for combatting such practices. Since the OECD lacks African representation in its core membership, the aim of this article is to offer the African Union an appropriate and Afrocentric solution to the econo-socio-legal problems that aggressive tax practices pose in the continent.

### **INTRODUCTION**

How often is credit given to the tri-disciplinary leverage that taxation policies wield? The average person may view tax policies through economic, social or legal lenses, sometimes simultaneously through two of these. But it is less often the case that the role of tax is considered in what Amanda Perry-Kessaris terms the 'econo-socio-legal'. The econo-socio-legal perspective is an amalgamation of the economic—which consists of 'production, distribution trade and consumption of goods and services' and the actors, who are meant to be 'rational utility maximisers'—the legal (i.e. laws and legal ideas) and social life as 'mutually constitutive' and inextricably linked (Perry-Kessaris, 2015; Bentham, 1987).

When one considers how multinational enterprises (MNEs) engage in aggressive tax practices in African states, it becomes more apparent how mutually constitutive the economic, social and legal are in life. The reality is that aggressive tax practices are significantly detrimental to developing countries in Africa—not just to their economies or the strengths of their legal frameworks, but also to the organizational structures needed for the operation of society and good quality of life in these countries. However, it is possible to reduce and perhaps reverse the detrimental effects of aggressive tax practices by employing an effective regime that tackles the issue.

This article will evaluate whether the Organization for Economic Cooperation and Development (OECD) successfully combats aggressive tax practices carried out by MNEs and how the African Union may learn from the OECD's efforts when forming its own regime for combatting such practices. Given that the subjects affected by aggressive tax practices in this article are African states, it is necessary to approach this discourse by considering how the generally unjust nature of international law, which is inherently oppressive to former colonized states given its origin in colonialism, can be transformed to one that embraces the interests of developing states in order to forward global justice (Tams, Schill & Hofmann, 2015). Especially since the OECD lacks African representation in its core membership, the aim of this article is to offer the African Union an appropriate and Afrocentric solution to the econo-socio-legal problems that aggressive tax practices pose in the continent as a whole.

### **MNES AND AGGRESSIVE TAX PRACTICES**

Not all tax practices are debilitating. It is not uncommon for MNEs to carry out normal tax planning, which involves using legally established procedures to cut the burden of tax wherever possible (Panayi, 2015).



However, tax planning becomes aggressive when such plans abuse the law (Panayi, 2015). Aggressive tax planning (e.g. tax avoidance) may sometimes lead to tax evasion, which exists in many forms and can broadly be defined as any tax-related criminal activity that intends to defraud a government (OECD, 2017). However, aggressive tax planning is not always criminal, even though it may form the basis of a predicate offence that is component for a more serious crime like money laundering or financing terrorism (Panayi, 2015). In fact, the problems to be addressed in this article are not only tax crimes but also the wholly legal, aggressive tax practices that seriously destabilize states.

There are a number of licit strategies MNEs use to avoid paying taxes. Of these numerous strategies, three are most commonly used. The first is transfer pricing, a strategy that is conducive to the multinational nature of MNEs given that they are able to trade between several operating units (e.g. subsidiaries or shell companies). In several countries, an MNE can quite easily reduce its tax payments by trading between its operating units in different jurisdictions at pre-determined artificial prices (War on Want, 2015). If done correctly, the corporation will be able to distort its taxable income and thus minimize taxes (War on Want, 2015). Secondly, an MNE may choose to under-report its production values, which entails reporting to the host country's tax authority that the company's production is less than its market value (War on Want, 2015). The third strategy involves deducting interest payments on debts from profits when determining taxable income. That way, parent companies are incentivized to lend money to their subsidiaries at a higher interest rate than that of the market so that the subsidiary can then inflate costs and reduce its taxable profits (War on Want, 2015).

While many argue that tax evasion is morally wrong, tax avoidance is sometimes written off as a relatively harmless, even strategic, corporate activity (Worstell, 2015). Disregarding the incredible magnitude of damage that aggressive tax avoidance practices and crimes can effect in a developing country is a dangerous habit that ought to be broken. When an MNE practices aggressive tax planning or commits a tax crime, it does not just undermine the government; it robs the victim country of money that it could use to build its infrastructure as well as fund necessary public services and anti-poverty programs (War on Want, 2015). Ultimately, it is the public of the victim country who are affected.

Thus, what ought to be the focus in seriously strong-arming badly behaved MNEs is changing the approach with which the issue of aggressive tax practices is handled. It is necessary to consider how the AU may build a regime for combatting aggressive tax practices, including tax crimes, in order to deal with the perpetual tax-dodging problem that African countries continue to face.

## **EVALUATING THE OECD**

If ever an institution has embodied the econo-socio-legal, it is the OECD. Vis-a-vis its contribution to combatting harmful tax competition, the OECD sets the international standard for tax, to enthrone equitable tax policies and to improve people's economic and social well-being (OECD, 2018-19). In order to accomplish this mission, it has established several bodies to address the numerous initiatives it offers for combatting aggressive tax planning and tax crimes. Because the OECD offers too many initiatives to adequately examine, only the initiatives that the AU can learn the most from, either from their strengths or flaws, shall be discussed.

### **The Initiatives**

A decade ago, the OECD partnered with the G20 on aggressive tax practices and immediately agreed upon four pillars on which to base its tax mission, two of which are of utmost scrutiny: 'enhancing tax transparency' and 'addressing tax avoidance' (OECD, 2018-19, p.7).

#### **A. Tax Transparency**

Following the G20's announcement that it ended bank secrecy in its member states, the OECD established the Global Forum on Transparency and Exchange of Information for Tax Purposes (the Global Forum) in April 2009 to extend its campaign against harmful tax competition to non-OECD economies by including (now 99)



non-member states to join and contribute to the forum (OECD, 2018). Though the forum is generally inclusive, it does not represent a majority of African countries. The Global Forum started its work by building a platform for exchange of information on request (EOIR) via Article 26 of the OECD Model Tax Convention (MTC) to allow member countries to disclose tax audits among one another in 2009; then continued by creating a single, international Common Reporting Standard (CRS) in 2013, the cornerstone of which became the automatic exchange of financial account information (AEOI) in 2014 (OECD, 2018-19).

The OECD made a progressive step in the fight against harmful tax practice by creating a body that specifically aims to forward tax transparency, as MNEs are less likely to commit tax fraud or engage in shady business activities that seriously undermine the tax architecture of a country if they know that countries will have access to audits with records of their transactions. If MNEs wanted to be held accountable for their tax-dodging or tax crimes, they would not choose to funnel money into tax havens with secrecy codes. Further, the Global Forum offers technical assistance that focuses on countries' legal and regulatory frameworks for EOIR as well as practical matters like “the process of making and receiving requests, the organization of an Exchange of Information Unit, or the role of tax auditors in exchange of information” (OECD, 2016). The Global Forum provides assistance through a three-tier peer review process that allows representatives of all member states to review tax-related legislation and policies that a peer country aims to introduce so that they can edit out provisions that would negatively affect the community. It also provides seminars for tax auditors to familiarize them with EOIR and its advantages for domestic tax purposes (OECD, 2018). The aim is to “sensitize tax auditors to [EOIR] and to help them make effective use of [EOIR] mechanisms for addressing cross border tax evasion by increasing the volume and quality of outgoing requests” (OECD, 2016).

A major flaw with the Global Forum is that it has failed to hold states accountable for their failure to fulfil transparency commitments. In July 2018, Tax Justice Network reported that the Global Forum was obligated to identify countries that had unsatisfactorily implemented the Common Reporting Standard yet had published what was essentially a blank blacklist that only listed Trinidad & Tobago (Knobel, 2018). In Annex 2 of the report in which it published this blacklist, the OECD included updated criteria that strikingly resemble its old criteria (OECD, “Secretary-General”, 2018). To avoid the blacklist, countries need only ensure that they meet two of the three requirements: EOIR, AEOI based on Corporate Social Responsibility, and “treaty network to exchange information” through both aforementioned methods; these requirements were in the old criteria (Knobel, 2018).

Further, the report stipulates that the one trigger great enough to render a country blacklisted is receiving an overall rating of 'non-compliant' by the Global Forum (OECD, “Secretary-General”, 2018). This trigger poses a major problem. The best performing countries score just under 60% in the 'transparency test' and worst performing just over 10% (OECD, “Secretary-General”, 2018). Yet out of 154 members, all achieving roughly between 10% and 60% transparency, only one country (Trinidad & Tobago) performed badly enough to invoke the trigger and end up on the blacklist. Certainly, Trinidad & Tobago is not the only source of tax secrecy in the world, and it may not even be the worst. It is counterproductive for the Global Forum to set such high standards and strong platforms if it will not strictly enforce them. Given that blacklisting is not a particularly strong punishment to begin with, the Global Forum ought to maintain its authority by holding countries accountable for their poor performances (i.e. those with scores of 50% and under). Otherwise, it will make the OECD seem like a rich-state club that allows for rich members—like Switzerland, the US, and Cayman Islands, which are the top three worst offenders in the Tax Justice Network's Financial Secrecy Index—to continue to be a cesspool for aggressive tax practices without being censured (Tax Justice Network, 2018). If African countries in the Global Forum see that stronger economies are able to avoid the blacklist without making much of an effort to adhere to the Global Forum's requirements, they will certainly act just as lackadaisically.

Another problem with the Global Forum's work, highlighted in its Tax Transparency in Africa report, is that while it has succeeded in establishing its proposed standards and platforms, countries have yet to utilize them



(Global Forum, 2018). Despite all of the assistance the Global Forum offers, many African countries face challenges in following standards and utilizing platforms. These challenges relate to obtaining relevant information from taxpayers who administer MNEs, as well as other information that they need to follow international tax agendas (Global Forum, 2019, pp. 15). While the intentions of the Global Forum are to boost positive tax practices globally, it needs more initiatives that are tailored to helping its member developing states improve their tax systems and, by extension, economies so that they can finance their own education and health programs without depending on foreign aid (Global Forum, 2018). Notably, it has made significant efforts in 2020 to introduce such tailored initiatives, as reported in its report titled, “Tax Transparency in Africa in 2020” (Global Forum, 2019, p. 55). However, the Global Forum's efforts might be better appreciated if it led them with education or awareness-based campaigns. These points—stronger enforcement and pre-action education—ought to be considered by the African Union.

## **B. Tax Avoidance**

In 2013, the OECD and G20 launched a 'Base Erosion and Profit Shifting' (BEPS) project with a package of fifteen actions to create a uniform set of international tax rules and curtail uncoordinated unilateral tax processes (OECD, 2018-19). The project's fifteen actions can be summed up by four BEPS minimum standards:

- “[T]o address harmful tax practices”;
- “[T]o prevent tax treaty shopping, clarifying the purpose of tax conventions”;
- “[T]o ensure country-by-country reporting of key data on the operations of [MNEs] to allow for more effective risk assessment by tax administrations”;
- “[T]o improve the effectiveness of cross-border tax dispute resolution” (OECD, 2018-19, pp. 10).

It seems that the OECD reflected on the issue of underrepresenting developing states that certain multinational agencies often overlook in this project, as it established the Inclusive Framework on BEPS (the Inclusive Framework), which allows non-OECD members to work equally alongside OECD and G20 members to complete the BEPS project and essentially reform international tax rules (OECD, 2018-19, pp. 11). The BEPS project is also responsible for regularly updating two tax instruments that set standards for the OECD's international tax rules: MTC and the OECD Transfer Pricing Guidelines for MNEs and Tax Administrations (TPG) (OECD, 2018-19, pp. 14).

MTC has changed considerably since 1963 from a benchmark for establishing and applying treaties to the basis on which around 3,000 tax treaties around the world are set (OECD, 2018-19). Members of the Inclusive Framework regularly meet to update MTC in order to ensure that it continues to “minimise double taxation on those cross-border movements without creating opportunities for unintended non-taxation,” (OECD, 2018-19, pp. 14) as well as close loopholes that may open as new developments arise, such as the process of digitalization. MTC is just about infallible, as it has continued to help countries promote sustainable growth and investment through bilateral and multilateral agreements for the past six decades without public criticism, not even by the Tax Justice Network (OECD, 2018-19). In fact, over 65 countries have borrowed provisions from the MTC (OECD, 2018-19). If the African Union were to create its own convention or continental agreement for tax rules, it ought to not only get inspiration from the provisions in the MTC but also follow the Inclusive Framework's routine of regularly updating its convention so as to allow its convention to adapt as new developments and issues surface.

TPG is another major initiative that BEPS manages. TPG guides countries on valuing an MNE's cross-border transactions between its operating units. Companies that are not in a corporate group do 'arm's length' trading, which simply means that they generate a market price for the transaction after genuine negotiations (Tax Justice Network, 2019). The 'arm's length' price is deemed acceptable for tax purposes. When related companies within an MNE's group trade with each other, it is called transfer pricing, which as previously mentioned, allows for the companies to create artificial prices that can be used to avoid taxes in a low tax jurisdiction while still profiting highly (Tax Justice Network, 2019). Thus, TPG requires that countries that are members of the Inclusive Framework adhere to the 'arm's length principle' because it curtails non-arm's



length trading between operating units of an MNE by “ensuring that the prices are recorded as if the trades were conducted at 'arm's length'” (Tax Justice Network, 2019).

TPG is particularly important for tackling the econo-socio-legal damage aggressive tax practices cause victim countries given that intra-enterprise trade via transfer pricing accounts for about 50% of global transactions (OECD, 2018-19). As important as it is to have a guideline of that nature, TPG is hard to implement and easy to abuse. It is particularly difficult to implement when companies are trading special goods that cannot be valued at an 'arm's length' price because no market comparison exists (Tax Justice Network, 2019). TPG is also facilely abused, as the scope for deliberately mispricing goods may greaten where it comes to valuing intellectual property. Companies with more valuable brands can get away with pricing their goods or services higher than companies with less popular brands because it is impossible to place a 'market price' when the exact monetary value of that brand is not known. For example, Royal Dutch Shell may charge higher prices than a less reputable oil provider (Tax Justice Network, 2019).

In addition, it is important to note that the OECD has the capability, expertise and resources to come up with the arm's length price of any given good or service and thus implement the arm's length principle (OECD, 2018-19). Until 2020 when the African Union announced its collaboration with the African Tax Administration Forum in their joint report of “Tax Transparency in Africa in 2020” (Global Forum, 2019, 55), the African Union did not have a tax authority. Therefore, it needed to prioritize building the capability, expertise and resources to be able to value arm's length prices in order to curtail (or at least reduce) non-arm's length, intra-enterprise trading. With its new collaboration with the African Tax Administration Forum, the African Union has planned future capacity building trainings on several focus areas of tax policy, such as EOIR and AEOI implementation, as well as upholding best tax practices (Global Forum, 2019, pp. 55).

Even with improved capacity to fashion arm's length prices to properly implement the arm's length principle, TPG is simpler to follow for countries that have already established transfer pricing legislation (OECD, 2018-19). Since some African countries do not have such legislation, the African Union ought also to help African countries develop appropriate legislation before attempting to adopt a guideline similar to TPG.

## **CONCLUSION: LESSONS FOR THE AFRICAN UNION**

In terms of combatting aggressive tax practices through initiatives that fall under the two discussed pillars, the OECD has not conclusively succeeded. Although, the OECD has succeeded in addressing the two major issues of tax secrecy and avoidance, and has done so suitably by welcoming non-OECD and G20 members to join its efforts to combat aggressive tax practices. MTC is by far the most successful by-product of the OECD's tax efforts. Therefore, the African Union should consider implementing some of its provisions while drafting its own tax rules and agreements. However, the African Union ought to better implement tax transparency rules, educate its members on the importance of compliance, and help countries develop legislation on transfer pricing so that it can work on building a strong framework on transfer pricing that is more effective than TPG, as the OECD's failure to achieve these points has contributed to its partial failure.

One problem with having a strict anti-aggressive tax practice regime is that it is bound to affect trade and investment culture in African states. Many MNEs are attracted to certain African countries because of their comparatively relaxed tax policies (Robertson, 2012). Stricter policies may seriously disadvantage African countries economically, as it may drive MNEs away. This fear is probably what motivates countries to offer generous tax incentives in the first place. However, if the price to pay is finally setting a high standard for trade and investment as well as deciding to not allow MNEs to continue to take advantage of African countries, then it is best that the African Union employ a stricter anti-aggressive tax regime. Even if some MNEs decide to withdraw trading and investing in the continent at first, they will surely return to Africa ready to play by its rules by the time Africa has endured its economic and development revolution (Robertson, 2012).



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## PLASTIC WASTE IN AFRICA, EXTENDING THE PROBLEM AND IDEAS FOR SOLUTIONS

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### ABSTRACT

Plastic waste has become a very complicated problem to solve, due to legal, environmental and international complexities that arise when dealing with issues related to compacting the harmful effect on health and environment, in Africa the problem is hard to solve, because there is no effective legislation and laws applied to oblige beneficiaries of production to recycle a fixed percentage of the total production of plastics, to reduce the impacts on marine life and wildlife.

This paper draws attention to the alarming figures on the amount of plastic produced and the impact on the environment, in order to raise awareness among the African citizen to do their role through governmental and non-governmental bodies to make a change and solutions in real life for a better future free from plastic waste damage in the life of the next generations, this paper ends with a summary and recommendations for the policy and decision maker, and environmental activist to face the situations.

**Keywords:** *Plastic Waste, Environment, Waste to Energy, Sustainable Energy Resources.*

### INTRODUCTION

To deal with plastic waste the first step is to set up the definition of plastic materials , In order to know the impact on environment and health, plastic can be defined as ,any group of synthetic or natural organic materials that may be shaped when soft and then hardened, including many types of resins, resinoids, polymers, cellulose derivatives, casein materials, and proteins: used in place of other materials, as glass, wood, and metals , the plastic sorting based on many criteria such as ,rigid and film plastics, types of polymers used (PET, PP, PE, PS) such { PET containers , HDPE containers , miscellaneous plastic containers film plastic , trash bags , grocery and other merchandise bags , non-bag commercial and industrial packaging film , film products ,durable plastic items , remainder composite plastic .

Plastics belong to a chemical family of high polymers, they are essentially made up of a long chain of molecules containing repeated units of carbon atoms ,because of this inherent molecular stability (high molecular weight), plastics do not easily breakdown into simpler components , therefor the problem of plastic waste lies in the long period of time that is required for chemical molecules to disintegrate into primary elements, longitudinal period to disintegrate the exhaustion of environmental components to be able to deal with the waste in natural ways, the argument applies to all types of plastics , even more bioplastics not as green as its seem, approach with caution. Though companies often market them under the same umbrella, a product is not necessarily biodegradable and may require very specific conditions to break down, more than 30 countries have either regional or country-wide bans on plastic bags, and dozens more have levied fees or taxes on disposable bags, bioplastic items (including single-use plastic bags and containers) break down completely only if exposed to prolonged high temperatures above 50°C (122°F). Such conditions are met in incineration plants, but very rarely in the environment. Therefore, even bio plastics derived from renewable sources (such as corn starch, cassava roots, or sugarcane).

### MAIN PROBLEM CAUSED BY PLASTICS WASTE

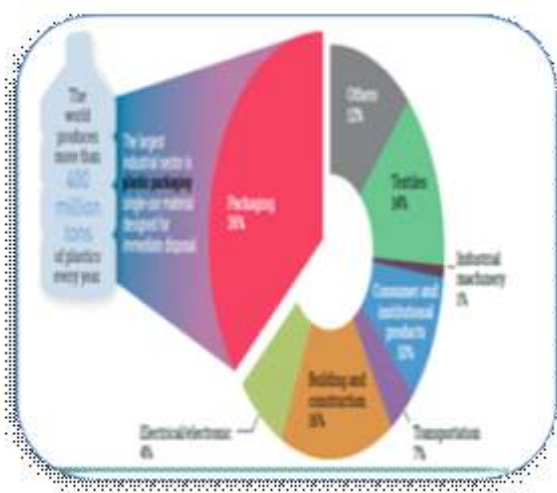
In 1950, the world's population of 2.5 billion produced 1.5 million tons of plastic; in 2016, a global population of more than 7 billion people produced over 320 million tons of plastic. This is set to double by 2034 , 1 million plastic bottles are bought around the world every minute, and this number is set to increase by another 20% by 2021 if we don't act ,480 billion plastic drinking bottles were purchased in 2016 across the





world — up from 300 billion a decade ago , in 2018 estimated the worth of the global packaging market at USD 151 billion, with the following material market shares by value: paper and board 38%, rigid plastic 20%, flexible plastic 19%, metal 17%, glass 3% and other materials 3%. Around 1.6 trillion units of packaging will be produced annually .

The proportion of plastic products will lead to a high percentage of waste, automatically will affect the economic, environmental and social life, In 2015, plastic packaging accounted for 36% of the plastic waste generated , globally with world production continuing at the current rate, the problem of waste resulting from economic activities will be more complicated and more impacting on the environmental and economic sectors, See figure number one .



Graphic Source: Industry needs to step up its game and design plastic out of our systems, on <https://www.no-burn.org> , retched in 6-10-2019.

The environmental Problems {Marine litter}: -

UNEP has defined marine debris, or marine litter, as “any persistent, manufactured, processed, or solid material discarded, disposed of, or abandoned in the marine and coastal environment.” , meanwhile, ocean plastic is estimated to kill millions of marine animals every year. Nearly 700 species, including endangered ones, world production has increased exponentially from 2.3 million tons in 1950, it grew to 162 million in 1993 and to 448 million by 2015 but the amount of plastic drifting on the ocean and washing up on beaches, alarming as it was, didn't seem to be rising as fast .

The problem of marine litter expanded by the absence of deterrent laws for the bodies cause damage and the absence of monitoring mechanisms for ships in international waters, which easily discharges its cargo of waste in international waters, causing great damage to large marine life such as whales, dolphins and even the smallest creature of marine micro-organisms, on the other hand, top ten industrial countries are practicing so-called environmental terrorism, they do not share as much damage as they cause to the environment, leaving all responsibility on small countries to repair the damage alone. In this regard, African coastal countries suffer from tons of plastic waste comes from the ocean, causing economic damage, money must be paid to deal with so much waste, see figure blew , the environmental damage to marine ecosystems caused by plastics has been estimated at USD 13 billion per year {including financial losses to fisheries and tourism} , solving the problems within countries, as waste issues are transboundary in nature, it require multinational collaboration, not only should African countries work together, they need to draw upon the expertise, experience and resources of the world to ensure that skills transfer occurs and support is rendered , 100,000 marine mammals and turtles and 1 million sea birds are killed by marine plastic pollution annually ,Therefore, the damage caused by plastic waste in the ocean needs decades to be removed, for example, sitting on every foot of coastline around the world that would correspond to about 8.8 million tons, her middle-of-the-road estimate of what the ocean gets from us annually. It's unclear how long it will take for that plastic to completely biodegrade into its constituent molecules, estimates range from 450 years to never.



*Figure 2: Marine litter, environmental problems to the ocean creatures.*



Source: Waitrose & Partners reveals winners of £1 million fund to fight plastic pollution, <https://www.britishplastics.co.uk>, retched in 9-10-2019.

### **THE ECONOMIC PROBLEMS {WASTE MANAGEMENT COST}**

The economic cost of removing garbage from the sea or land lies in the cost of collecting, dividing, and separating the waste from the environmental components, hence the cost of reusing waste in a useful way or converting it into landfills safely, for more with an estimated 1-5% decline in the benefit humans derive from oceans. The resulting cost in such benefits, known as marine ecosystem value, is up to \$2.5tn (£1.9tn) a year, plastic waste is also believed to cost up to \$33,000 per ton in reduced environmental value, an estimated 8m tons of plastic pollution enter the world's oceans every year , in Africa one estimate suggests that removing litter from South Africa's wastewater streams effectively would cost about USD 279 million per year , on the other hand , 60-90% of the electronic waste generated globally each year is illegally traded or dumped, with a value of between USD 12.5 and USD 18.8 billion. Since around 41 million tones is generated annually – possibly rising to 50 million tons by 2017 – this can potentially have a very big environmental impact, particularly when such waste is sent for processing in developing countries with poor waste management infrastructure .

There is a cost can be added when volunteers participate in the management of plastic waste and can be calculated from the total cost required to remove the negative impact of plastic waste, for example for the activities carried out by volunteers are fundamental because they help local municipalities and alleviate their costs, participation in clean-up events constitutes an opportunity cost, i.e. it takes up time that could be spent on other activities. It has been estimated that the participation of volunteers in two of the largest clean up schemes in the UK, MCS Beach watch and KSB National Spring Clean, is worth approximately USD 173,500 (EUR 131,000).

### **THE FUTURE SOLUTIONS STEPS TO PLASTIC WASTE PROBLEM IN AFRICA**

food containers, cups for beverages, cotton bud sticks, cutlery, plates, stirrers, straws and sticks for balloons, and to push for a 90% collection rate of single-use plastic bottles , moreover, the global population grows from seven to nine billion by 2045, it is predicted that more than half of this growth (1.3 billion) will be in Africa. This means that the waste generated in Africa will increase exponentially if management trends remain as they are. Indeed, expectations are that Africa's high rate of urbanization and economic

development will exacerbate issues. Collectively, these factors will lead to Africa becoming the worst polluted continent on the planet, so the need for urgent future solutions has become a matter of life and death for the African continent because the situation has become very dire, the future solutions must be integrated and go in several directions at the same time in order to eliminate the negative impact of plastic waste in all respects for the African citizen.

### **INTEGRATED WASTE MANAGEMENT PRACTICE**

The first priority involves the primary prevention of pollution and waste by requiring industries to eliminate or reduce the amount of harmful chemicals used in production, the second priority targets small businesses and individuals and focuses on secondary prevention of pollution and waste, this step involves educating and encouraging people to buy reusable products, repair broken items, recycle, reuse products, the third priority including treating waste to reduce toxicity, burying or incinerating waste and releasing some waste into the environment for dispersal or dilution.

All of these options need several factors for its success, which is raising awareness among the consumers, alerting the legal and supervisory authorities in order to enact legislation and laws to monitor official authorities in following environmental and economic policies, and finally the active participation of civil society organizations to manage this process in order to protect the environment and the economy in Africa, see the figure below.

Figure 3: Waste management hierarchy:



Source: Global Waste Management Outlook, UNEP, 2015, p 31.

### **PLASTIC WASTE RECYCLES TO PRODUCE ANOTHER PRODUCT**

Recycling a ton of plastic costs, us hundreds against the costs of thousands if we let it into the marine environment therefore, recycling is the best option economically and environmentally beneficial, and waste can be used to manufacture materials that do not need high quality plastic such as manufacturing shoes and plastic, furniture in Africa, plastic recycling in South Africa has been ongoing for several years, with the rate of recycling estimated to be about 41.8%.

### **ENACT LEGISLATION TO REDUCE THE USE OF PLASTICS**

Enact laws in order to restrict the excessive use of plastics by individuals and states and to use alternatives through ban single-use plastics, as many countries and cities are, doing replace petroleum-based single-use plastics with alternative bio-benign materials, such as paper, glass or biodegradable plastics; or improve waste collection coverage and send all collected waste to appropriate end-of-pipe treatment facilities, table 1 highlight the African regulation in this regard.

A review of some African countries that represent the five regions and the progress made in the field of laws and legislation.



*Table 1: Summary of countries that have introduced regulations on plastic bags and Styrofoam products:*

| No                    | Country       | Year | Level              | Policy                            | Features  |
|-----------------------|---------------|------|--------------------|-----------------------------------|---|
| <b>Central Africa</b> | Chad          | 2010 | Local<br>N'Djamena | Ban – entered into force          | <b>Type:</b> Ban on the importation, sale, and use of plastic bags in the capital city, N'Djamena.<br><b>Impact:</b> Less observable plastic pollution in the city.   |
|                       | Niger         | 2005 | National           | Ban – entered into force          | <b>Type:</b> Ban on production, importation, usage and stocking of plastic bags<br><b>Impact:</b> Limited because of poor enforcement. New efforts were made in 2017, but no information is yet available on the outcome              |
| <b>West Africa</b>    | Gambia        | 2015 | National           | Ban – entered into force          | <b>Type:</b> Ban on the sale, importation and use of plastic bags.<br><b>Impact:</b> Success was seen in the first phase after implementation, but there has been a reappearance after a political impasse                            |
|                       | Guinea Bissau | 2016 | National           | Ban – entered into force          | <b>Type:</b> Ban on the use of plastic bags.<br><b>Impact:</b> Law not strictly enforced. Strong resistance from both consumers and retailers, claiming a lack of consultation  |
| <b>North Africa</b>   | Morocco       | 2009 | National           | Ban – entered into force          | <b>Type:</b> Ban on the production, importation, sale and distribution of black plastic bags.<br><b>Impact:</b> Although only considered partially successful, the law is considered an important step forward                        |
|                       | Tunisia       | 2017 | National           | Ban and levy – entered into force | <b>Type:</b> Ban on the production, importation and distribution of single-use plastic bags in major supermarkets and levy on consumers on thicker ones (>50µ)<br><b>Impact:</b> Information not available                            |
| <b>East Africa</b>    | Rwanda        | 2008 | National           | Ban – entered into force          | <b>Type:</b> Ban on the production, use, importation and sale of all polyethylene bags.<br><b>Impact:</b> In the first phase the ban resulted in a black market for plastic bags. Over time, plastic bags were replaced by paper bags |
|                       | Tanzania      | 2006 | National           | Ban –                             | <b>Type:</b> Ban on plastic bags and bottles.   |





approved **Impact:** Ban has not been implemented. Since then, the government made constant efforts to phase out plastic bags. The latest ban was issued in 2016, but implementation has been pushed back

|              |              |      |          |                                   |  |
|--------------|--------------|------|----------|-----------------------------------|--|
| South Africa | South Africa | 2003 | National | Ban – entered into force          | <b>Type:</b> Ban on plastic bags <30μ and levy on retailer for thicker ones.<br><b>Impact:</b> In the first phase the consumption of plastic bags fell, but then increased again, due to lack of enforcement   |
|              | Zimbabwe     | 2010 | National | Ban and levy – entered into force | <b>Type:</b> Ban on plastic bags <30μ and levy on consumer for thicker ones.<br><b>Impact:</b> Implementation has been difficult because of resistance from the informal sector. Flimsy plastic bags have been smuggled in from Mozambique. The levy has proved not to be a deterrent over the long term |

Source: UNDP, 2018.

## EFFECTIVE WASTE MANAGEMENT AT THE NATIONAL LEVEL

At the end of its lifetime, a product or packaging is recycled, incinerated, landfilled, dumped in uncontrolled sites, or littered in the environment. According to recent estimates, 79% of the plastic waste ever produced now sits in landfills, dumps or in the environment, while about 12% has been incinerated and only 9% has been recycled, these figures indicate the importance of effective national strategies of waste management measures at the national level, based on the following points, need to grow their capacity, skills and financial resources to respond to poor waste management, need to be able to plan for and meet the accelerated accumulation of solid waste due to a rapid population growth rate which is expected to continue to rise until at least 2045, need to have quantified information upon which to build management strategies, Should aim to dramatically promote educational and awareness programmes, and, Should build research and management capacity to better inform policy, to implement this strategy, it must be linked with the SDGs to eliminate the social, environmental and economic impacts associated with the implementation of the strategy on the ground, see the table below.

Using the five global waste management goals In the field of efficient and safe waste collection services, awareness-raising for the public to prevent the dumping of classical waste in an uncontrolled manner harmful to the environment, knowing the harmful effects of this waste on soil and air, and finally spreading concepts of reducing waste production through the use of 3 Rs: Reducing resource usage in an effective manner and as needed in terms of consumption and production, Reuse materials by using them more than once in several innovative uses such as glass bottles and car tires, Recycle recyclable materials such as plastics and paper and produce economically and environmentally feasible materials, and focusing on the issue of balance in food consuming prevent food losses, in upper level using food waste as fertilizer or to produce energy by using fermentation technology to produce gases as methane or liquids as ethanol.



Table 2: Waste management strategies linked with, SDGs in global, national and a local issue:

| GLOBAL WASTE MANAGEMENT GOALS |   | RELATED SDGs   |
|-------------------------------|---|--|
| Ensure by 2020                | W.1 Access for all to adequate, safe and affordable solid waste collection services   | 3 – Health for all<br>11 – Safe cities   |
|                               | W.2 Stop uncontrolled dumping, open burning   | 3 – Health for all 11 – Safe cities 12 – Sustainable consumption and production (SCP) 6 – Clean water and sanitation 14 – Marine resources 15 – Terrestrial ecosystems |
| Ensure by 2030                | W.3 Achieve sustainable and environmentally sound management of all waste, particularly hazardous waste                         | 12.4 – Managing all waste<br>13 – Climate change<br>7 – Access to energy   |
|                               | W.4 Substantially reduce waste generation through prevention and the 3Rs (reduce, reuse, recycle) and thereby create green jobs | 12.5 – The 3Rs<br>8 – Growth & employment<br>1 – End poverty<br>9 – Sustainable industry   |
|                               | W.5 Halve per capita global food waste at the retail and consumer levels and reduce food losses in the supply chain             | 12.3 – Food waste<br>2 – End hunger; food security   |

Source: UNEP, 2015,

### INCINERATE PLASTIC WASTE TO PRODUCE ENERGY

Only about 9% of this plastic has been recycled, 12% has been burned and the remaining 79% has ended up in landfills or the environment, up to 12.7 million tons of plastic enters the oceans every year, there are five trillion pieces of plastic in our oceans enough to circle the Earth over 400 times , Therefore, burning waste can be one of the options to solve the problem .

Internationally in European countries waste incineration!, Currently provides 21% of! the Danish district heating demand and 5% of the electricity demand, the optimal use of waste is affected by the surrounding Energy system and the possible future development , in Asian countries, Singapore's streets are glistening clean, its parks and beaches mostly free from the trash that plagues neighboring countries like Malaysia and Indonesia. Almost all of Singapore's non-recyclable waste is incinerated, with the ash and some solid waste shipped to a man-made island nearby that doubles as a nature reserve .

When producing energy from plastic waste, should pay attention to environmental points, so the waste incineration does not cause more problems, by applying the following points:

- An efficient waste management system has been in place for a number of years and present scarcity of land requires alternative solution to SLF for waste fractions for which recycling is not feasible.
- The basis for an adequate environmental monitoring system exists.
- Emission standards and other environmental prescriptions are met.
- Financial means to cover additional costs compared to landfilling should be ensured



- The supply of combustible MSW should amount to at least 100,000 t/year; » The LCV must be, on average, at least 7 MJ/kg and never fall below 6 MJ/kg
- Slag can be used after processing in road construction. For a secure and environmentally sound disposal of the fly ash secure land filling has to be ensured
- Skilled staff can be hired and retained
- The community living next to the site of a planned Municipal Solid Waste Incineration is engaged with and their interests are considered from the very beginning.
- Transparent communication and adequate engagement are a pre-condition.

### **CONTROLLED LANDFILLS FOR INCINERATED PLASTIC WASTE**

Countries like Canada, the U.S., and the UK export plastic waste to various countries in Asia and Africa, offloading their trash problem to other communities. These major countries should assist in the establishment of plants for the production of energy from waste as well as the participation of experts and specialists in order to make safe dumpsites for waste plastic remains in order to avoid wastage of resources, reducing the need for new waste disposal facilities, limiting greenhouse gases emissions.

### **RECOMMENDATIONS**

- Linking waste management companies with investment units in order to produce products of plastic waste with economic and environmental quality, to benefit the community and provide enough money to continue their work effectively and for more waste collection from the environment to reach zero plastic waste.
- Using plastic waste in manufacturing building materials, using as large as possible plastic waste to build houses for poor communities at cheap prices to reduce the number of trees cut for building, and protect the environment in a more effective way.
- Bringing more investments from the private sector in the collection and re-use of waste from markets and public places in order to sustain services by providing mechanisms and manpower, and not leaving responsibility only on the government sector in dealing with daily waste.

### **CONCLUSION**

With all these proposals and future solutions cannot find an effective solution to address the problem of waste in general and plastic waste in particular, only through two basic steps, firstly individual efforts of citizens, secondly effective initiatives under the sponsor of government agencies.

Individual choices in terms of choosing eco-friendly products are a critical step for companies to change their manufacturing policies for , plastics , this choices can be effective if directed through the following ,choosing steps, products with less or green packaging, products that have reduced packaging carry eco-label, avoiding single-use carrier bags, bottles, takeaway cups and bringing your own reusable bags, containers and utensils .

Government initiatives should take into account the interest of the environment by guiding the public towards environmentally friendly choices through the use of media and public campaigns such as the Australian government launched a campaign called Keep the Sea Plastic Free, in which it attempted to educate the public to dispose of plastic waste properly.





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# HURDLE NEGATIVE BINOMIAL MODEL FOR MOTOR VEHICLE CRASH INJURIES IN NAMIBIA

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## ABSTRACT

The study was based on a quantitative research for all road crash injuries recorded from 2011-2016 secondary data, with number of injured persons per crash as the dependent variable. The Hurdle Negative Binomial two-way model looked at crashes with injuries=0 (Ordinary Ratio (OR)), and those with injuries >0 (Relative Ratio (RR)): crash type with vehicle to vehicle (OR=0.5), Cause of crash with driver behaviour (OR=0.1), and Time of crash with peak time (OR=0.3); Months of crashes with holiday month (RR=0.2) Day of crash with Weekend (RR =0.1) Region with Northern regions (RR= 0.3), Type of crash with vehicle by vehicle (RR =1.6), Crash cause with driver behaviour (RR= 0.2), with  $P < 0.001$  for all variables had higher probability. Emphasis should be placed on driver behaviour and campaigns should focus more on school holiday months and weekends, due to the fact that a large number of crashes occur more on weekends and school holiday months.

**Keywords:** *Statistical model, Motor vehicle crash, Quantitative research, Driver behaviour*

## INTRODUCTION

It is estimated that injuries as a result of road traffic crashes results in approximately 1.25 million deaths annually and another 20 to 50 million people sustain injuries (WHO, , 2015). The World Health Organisation (WHO) further states that Road traffic injuries are a leading cause of death, and the main cause of death among those aged 15–29 years (WHO, 2015), making this age group an accident high risk. Additionally, the Motor Vehicle Accident fund has recorded that 31% of road crash fatalities were people aged 16- 30.

Current trends suggest that by 2030 road traffic deaths will become the fifth leading causes of deaths unless urgent action is taken (World Health Organization, 2013). In fact for Namibia we have already reached this milestone according to a study done by (MVA Fund, 2015), Motor vehicle crashes were the 5<sup>th</sup> cause of death in Namibia. A study on fatal injuries of United States of America citizens abroad indicated that: The highest age adjusted proportional mortality ratios where highest in Africa. Also, the death rate in Africa due to road crashes is at 24.1 per 100 000 inhabitants (Guse, et al 2007), in 2013 Namibia stood at 29.9 deaths per 100 000 population (Motor Vehicle Accident Fund, 2015).

Over a five year period between 2011 and 2015, the number of injured persons has increased by 30%, it was reported that there was 3% increase between 2012 and 2013, 18% increase between 2013 and 2014, and a further 6 % increase between 2014 and 2015 (MVA, 2015). Furthermore, road crash injuries keeps on fluctuating with time, the number of injured person was 5652 in 2012, 5845 in 2013, 6314 in 2014 and 7333 in 2015, indicating 347 injuries per 100, 000 populations in 2015. On average 20 people are injured daily in Namibia due to road crashes, the injuries vary from slight to severe. The research aims to analyse the different variables that are associated with the increase of crashes to close this gap and alert organisations, public and private sectors on the seriousness of road fatalities to vender resources in the subject. Especially resources in research to further scrutinize and understand crash causes and causes of injuries. It is essential that analysis is done with the available data, to study the relations among variables to determine causes of crashes.

## METHODS

### Data

The study was a quantitative study for all road crash injuries recorded between 2011 and 2016. Secondary data from the MVA Fund crash and claims web based system was retrieved and exported to Micro soft excel,



the analysis of this study has been done in SPSS and R statistical packages. The study analysed injuries from crashes where one or more injuries or a deaths has occurred. No sampling was necessary since all injuries that occurred between 2011 and 2016 and are recorded on the MVA Fund database and will be used for analysis. Poisson, Negative Binomial, Zero-Inflated Poisson, Zero-inflated negative binomial, Poisson Hurdle, and Hurdle negative binomial models were each fitted with “MASS” and “pscl” in R 3.3.2 packages using the glm, nb, zeroinfl, hurdle functions to fit all the models in order to choose the best.

### Hurdle Negative Binomial Generalised linear model

Hurdle Negative binomial models is mixed by a binary outcome of the count being below or above the hurdle (the selection variable), with a truncated model for outcomes above the hurdle (Saffari et al., 2012). The hurdle negative binomial can handle excess zeros and the analysis of under- dispersion and over- dispersion.

### Tests For Association

Tests for associations between the dependent variable and the independent variables was essential, since the research paper has both numeric and categorical variables different tests were performed. The variable “Persons injured” was recoded into categorical variable in order to carry out a chi- Squared test, between persons injured and the categorical variables as illustrated in Table 1. At 5% level of significance the P value for all the variables is less than 0.05 meaning that there is enough evidence to prove that there is association between the Persons Injured and month, Day of crash, Region, Crash type, Crash cause and time the crash has occurred. There is a high correlation of 0.874 between the Crash cause and the dependent variable, this is the same for crash type as well. Although there is correlation between month and persons injured, the relationship is close to zero.

**Table1:** Test for association Persons Injured~ categorical variables

|              | <u>Chisquare test</u> | P Value | Significance | R <sup>2</sup> |
|--------------|-----------------------|---------|--------------|----------------|
| Month        | 156.820               | <0.001  | ***          | 0.085          |
| Day of crash | 130.620               | <0.001  | ***          | 0.077          |
| Region       | 1013.120              | <0.001  | ***          | 0.215          |
| Crash Type   | 4919.140              | <0.001  | ***          | 0.474          |
| Crash Cause  | 2745.520              | <0.001  | ***          | 0.874          |
| Grouped time | 664.710               | <0.001  | ***          | 0.354          |

Variable is significant

### Model Selection

Table 2. show the different generalised linear models used by the author in this study, the Akaike Information Criteria (AIC) and Bayesian Information Criterion (BIC) are goodness-of-fit criteria used for model selection the fact that the goodness of fit statistics is greater than 1 shows that there was over



dispersion in the data (Yesilova et al., 2010). The Poisson Regression (PR), Negative Binomial (NB), Zero-Inflated Poisson (ZIP), Zero-Inflated Negative Binomial (ZINB), Hurdle Poisson (HP), and Hurdle Negative Binomial (HNB) are given in the table that produced widely different results. The model with the lowest AIC is the HNB which is bolded out in Table 2. Therefore, the Hurdle Negative Binomial was chosen as the best model.

**Table 2:** AIC comparison model

|         |                                 | Log-              |                 |
|---------|---------------------------------|-------------------|-----------------|
|         | Model Name                      | likelihood        | AIC             |
| Model 1 | Poisson                         |                   | 79890.16        |
| Model 2 | Negative binomial               | -73812.24         | 73832.24        |
| Model 3 | Zero-inflated Poisson model     | -3.89e+04         | 77838.93        |
| Model 4 | Zero-inflated negative binomial | -3.639e+04        | 72815.07        |
| Model 5 | Hurdle Poisson                  | -3.733e+04        | 74695.09        |
| Model 6 | <b>Hurdle negative binomial</b> | <b>-3.203e+04</b> | <b>64089.84</b> |

## RESULTS AND DISCUSSIONS

### Results

Table 3 shows the results of the HNB Regression Model. The Ordinary ratio (OR) shows model estimates for crashes with zero injuries or the zero outcomes while the Relative Ratio (RR) shows model estimates for crashes that had one or more injuries. When the p-value of any model shows to be more than the assigned level of significance, we reject the null hypothesis with the implication that there is no significance different between the two variables of test. The data is analysed based on the two separate models produced by the HNB; the Model 1 Ordinary ratio which focus on crashes where zero persons are injured, and model 2 the Relative Ratio where one or more people have been injured.

### Model 1 - Ordinary Ratio

There was no significant difference between holiday months and non-holiday months for crashes that did not have any injuries ( $p=0.66143$ ). Likewise, for weekends OR results indicate that whether it is weekend or not there will still be crashes where no injuries were observed with ( $p= 0.0786$ ). Also, there is no significance difference ( $p=0.6788$ ) for northern regions in comparison with other regions in the rest of the country. On the other hand, for types of crashes, types that involved vehicles by vehicle where significantly high, thus if you increase vehicle by vehicle crashes by one point the odds that there would be zero injuries would increase by 0.4 if other variables are held constant ( $OR = 0.487$ , 97.5% CI: 0.3948, 0.5789). The causes of crashes that occurred as a result of driver behaviour are 0.147 more than those that have nothing to do with the driver ( $OR= 0.147$ , 97.2% CI: 0.0534, 0.2409). For crashes where fatalities were recorded, the crashes that had



fatalities were 1.835 times way less compared to those that had none, in other words for crashes with more fatalities decreases the number of injuries (OR = -1.835, 97.5% CI: -1.9269, -1.7433). With regards to the number of vehicles involved there was no significance difference between the number of vehicles involved, whether one or more vehicles are involved the probability of have zero injuries is there ( $p = 0.7885$ ). On the other hand when we look at time, the non-injuries were 0.3 times higher during peak time as compared to off peak time (OR = 0.326, 97.5% CI: 0.2371, 0.4152).

### Model 2 - Relative Ratio

The intensity of injured person's due to crashes is significantly associated with the month, (crashes that had one or more persons injured). During holiday months it is 0.2 times more likely to have a crash with injured people as compared to months with no school holidays, if you are to increase the number of holiday months by one unit, the number of injuries will increase with 0.2 (RR = 0.209, 97.5%, CI: 0.1460, 0.2715). This is similar to days of the week, weekends are 0.1 times more likely to have injuries intensity as compared to other days of the week (RR = 0.106, 97.5% CI: 0.0434, 0.1682). When it comes to the five Northern regions, they are significantly high in the number of injuries when contrasted with other regions in the country (RR = 0.295, 97.5% CI: 0.2305, 0.3595). The model indicates that there is significance difference in the types of crashes, if vehicle to vehicle crashes increase by one unit, the number of injuries will increase by 1.6 while holding other variables constant, accordingly, the higher the number of vehicle by vehicle crashes, the higher the number of injuries (RR = 1.582, 97.2% CI: 1.5094, 1.6546). With the causes of crashes that had something to do with driver behaviour, they were significantly higher than those with no environmental or vehicle factors with (RR = 0.224, 97.5% CI: 0.1562, 0.2915). With regard to fatalities, high injury crashes tend to involve 1.0 times more deaths per crash as compared to those without fatalities (RR = 1.01, 97.5% CI: 0.8974, 1.1227). With the number of vehicles involved, single vehicle crashes involve less injuries compared to crashes with more than one vehicle (RR = -0.216, 97.5% CI: -2.2860, -0.1454). Moreover, the time the crash occurs is insignificant to the number of injuries that occur, at 97.5% confidence interval peak time is not significantly different from off peak time in terms of the number of injuries ( $p = 0.4054$ ) unlike with zero injuries were the peak time yielded less injuries.



**Table 3: Regression Estimates from the Hurdle Negative Binomial Regression Model**

| Hurdle Negative Binomial regression model |  |                    |  |                    |
|---|--|--------------------|--|--------------------|
| Variable                                  | Injured persons probability (Zero people injured in a crash) |                    | Injured Persons Intensity(# of Injures Persons >= 1) |                    |
|   | OR   | 97.5% CI           | RR   | 97.5% CI           |
| Number of persons injured per crash       | 1.596***   | (1.4718, 1.72049)  | -4.427***  | (-6.4427, -2.4113) |
| <b>Month</b>                              |  |                    |  |                    |
| None Holiday month                        | 1  |                    | 1  |                    |
| Holiday Month                             | -0.017   | (-0.0955, 0.0606)  | 0.209***   | (0.1460, 0.2715)   |
| <b>Day of Crash</b>                       |  |                    |  |                    |
| Non-Weekend                               | 1  |                    | 1  |                    |
| Weekend                                   | 0.069  | (-0.0079, 0.1469)  | 0.106***   | (0.0434, 0.1682)   |
| <b>Region</b>                             |  |                    |  |                    |
| Non-Northern                              | 1  |                    | 1  |                    |
| Northern                                  | 0.017  | (-0.0635, 0.0976)  | 0.295***   | (0.2305, 0.3595)   |
| <b>Crash Type</b>                         |  |                    |  |                    |
| Vehicle and other factors                 | 1  |                    | 1  |                    |
| Vehicle by Vehicle                        | 0.487***   | (0.3948, 0.5789)   | 1.582***   | (1.5094, 1.6546)   |
| <b>Crash Cause</b>                        |  |                    |  |                    |
| Non Driver                                | 1  |                    | 1  |                    |
| Driver behaviour                          | 0.147**  | (0.0534, 0.2409)   | 0.224***   | (0.1562, 0.2915)   |
| <b>Fatalities</b>                         |  |                    |  |                    |
| NoDeaths                                  | 1  |                    | 1  |                    |
| Deaths                                    | -1.835***  | (-1.9269, -1.7433) | 1.01***  | (0.8974, 1.1227)   |
| <b>Vehicles Involved</b>                  |  |                    |  |                    |
| More than one                             | 1  |                    | 1  |                    |
| Single Vehicle                            | 0.015  | (-0.0875, 0.1153)  | -0.216***  | (-0.2860, -0.1454) |
| <b>Time</b>                               |  |                    |  |                    |
| Off Peak time                             | 1  |                    | 1  |                    |
| Peak time                                 | 0.326***   | (0.2371, 0.4152)   | 0.029  | (-0.0387 0.0959)   |



| Variable                            | Hurdle Negative Binomial regression model                    |                    |  |                    |
|-------------------------------------|--|--------------------|--|--------------------|
|                                     | Injured persons probability (Zero people injured in a crash) |                    | Injured Persons Intensity(# of Injures Persons >= 1) |                    |
|                                     | OR   | 97.5% CI           | RR   | 97.5% CI           |
| Number of persons injured per crash | 1.596<br>***   | (1.4718, 1.72049)  | 4.427<br>***   | (-6.4427, -2.4113) |
| Month                               |  |                    |  |                    |
| None Holiday month                  | 1  |                    | 1  |                    |
| Holiday Month                       | -0.017   | (-0.0955, 0.0606)  | 0.209<br>***   | (0.1460, 0.2715)   |
| Day of Crash                        |  |                    |  |                    |
| Non-Weekend                         | 1  |                    | 1  |                    |
| Weekend                             | 0.069  | (-0.0079, 0.1469)  | 0.106<br>***   | (0.0434, 0.1682)   |
| Region                              |  |                    |  |                    |
| Non-Northern                        | 1  |                    | 1  |                    |
| Northern                            | 0.017  | (-0.0635, 0.0976)  | 0.295<br>***   | (0.2305, 0.3595)   |
| Crash Type                          |  |                    |  |                    |
| Vehicle and other factors           | 1  |                    | 1  |                    |
| Vehicle by Vehicle                  | 0.487<br>***   | (0.3948, 0.5789)   | 1.582<br>***   | (1.5094, 1.6546)   |
| Crash Cause                         |  |                    |  |                    |
| Non Driver                          | 1  |                    | 1  |                    |
| Driver behaviour                    | 0.147<br>**  | (0.0534, 0.2409)   | 0.224<br>***   | (0.1562, 0.2915)   |
| Fatalities                          |  |                    |  |                    |
| NoDeaths                            | 1  |                    | 1  |                    |
| Deaths                              | 1.835<br>***   | (-1.9269, -1.7433) | 1.01*<br>**  | (0.8974, 1.1227)   |
| Vehicles Involved                   |  |                    |  |                    |
| More than one                       | 1  |                    | 1  |                    |
| Single Vehicle                      | 0.015  | (-0.0875, 0.1153)  | 0.216<br>***   | (-0.2860, -0.1454) |
| Time                                |  |                    |  |                    |
| Off Peak time                       | 1  |                    | 1  |                    |
| Peak time                           | 0.326<br>***   | (0.2371, 0.4152)   | 0.029  | (-0.0387, 0.0959)  |





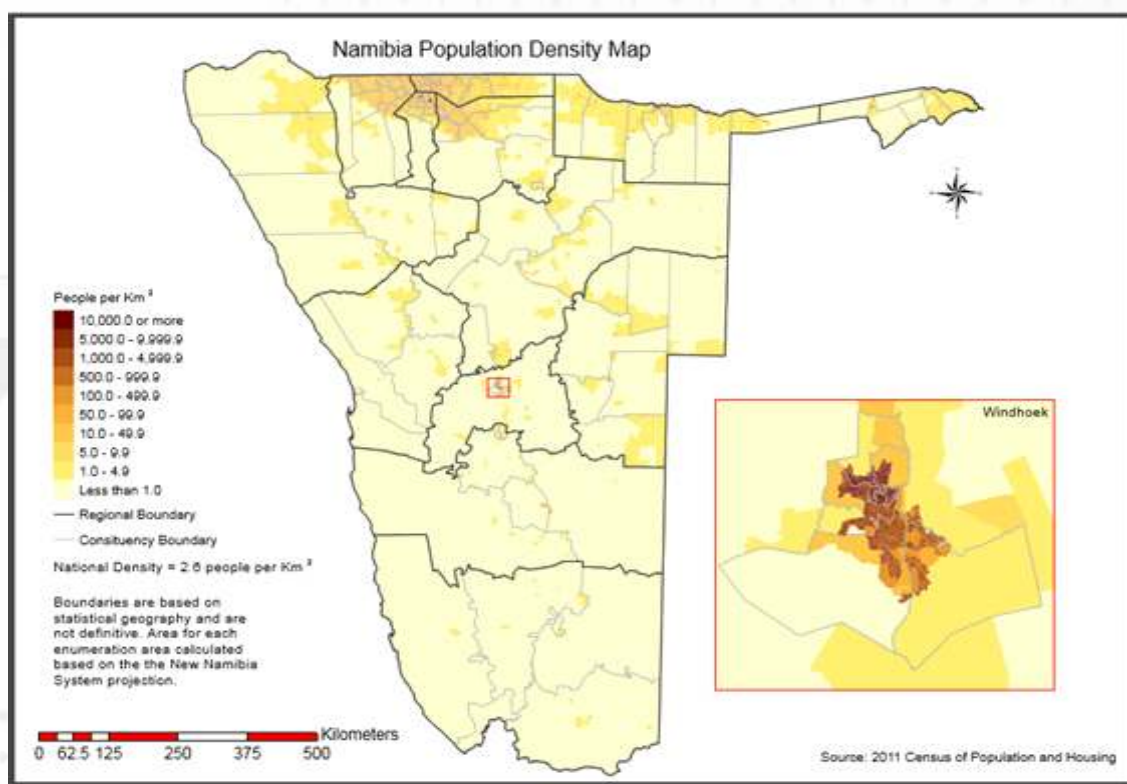
## DISCUSSION

The chi-square and the Pearson test indicated that there was association between the predicted and the predictor variables, of which all were found significant at 5% level of significance. All the variables had  $R^2$  less than 0.5 except for the causes of crashes that had  $R^2 = 0.874$  making it the best predictor for road crash injuries. Therefore, it is reasonable to conclude that the cause of crash can predict that the crash will have injuries.

The two-way model looked at crashes that had zero injuries (OR) and those with one or more injuries (RR), on the risk factors of the two there were some similarities found. For example, for CZI (Crashes with zero injuries) there was no significant difference between school holiday months and other months of the year, whereas crashes that had Injuries Greater than or Equal to one (IGE1) school holiday months (which also coincides with months that have public holidays) had more crashes, concluding that, January, April, May, August and December which consist of school holidays and public holidays increase the number of injuries in a crash. Similarly, Sukhai et al., (2011) declares that South Africa has a significant peak in December when it comes to road traffic crash fatalities. The peak is largely explained by traffic flow factors, increased alcohol consumption during the holiday may also be a risk factor. Also, weekends proved to have had more IGE1s comparing to weekdays. The work of Elliot (2009) suggest that 52% of injuries that occurs during weekends with most crashes happening on Saturdays and Sundays.

One very interesting fact of the data is that peak hours indicate many CZI, meaning that although there is many crashes during the peak hours they are so minor that people do not get injured or die. Kingham et al., (2011) report their findings that crash rates are not occurring at a uniform rate throughout the day, with comparative increases in crash rates occurring during morning rush hour, and during the 'school runs'. However this study confirms that, crashes that occur during peak time caused very few injuries, in layman terms, if a crash occurs at pick time, the probability that no one gets injured is high. It is worth noting that at this point we are only looking at injuries as our predicted variable, the results may yield differently if deaths were the variable of interest.

Figure 1: Namibia's population density





The Northern regions are prompted to IGE1s more than the CZI, the vast country makes it difficult to tell the exact regions the crash has occurred, some of the very severe crashes occurred between roads that are connecting towns (MVA Fund, 2016).

Another fascinating fact is the relationship between the number of none injured persons and fatalities by crash; crashes with fatalities decrease the number of none injured persons denoting that if the number of people that died increase, the number of none injured persons will decrease. This is due to the fact that, if there are fatalities in a crash it indicates the severity of the crash, and the more severe the crash the higher the chances of injuries and the chances of deaths in that crash. As the number of deaths increases so does the number of injuries, so the number of fatalities work in conjunction with the number of injuries.

Crashes that occurred as a result of driver behaviour such as, Reckless and Negligence driving, speed and being intoxicated compared to issues like tyre burst, mechanical failure, poor road design, pedestrian, animal, poor weather condition indicated that the number of injured persons is predicted by the cause of crash and that injuries will even be more for crashes that occurred as a result of driver behaviour or circumstances. Ultimately, the behaviour and attitudes of the driver will determine how severe the crash will be, should a crash occur. The other observation was among the types of crashes, crashes resulted in vehicles crash only such as collisions with other vehicles and roll over exhibited crashes with more injuries with a gigantic difference for both the CZI crashes and with crashes that have had 1 and more injuries (IGE1), that is to say the type of crash does predict injuries, and if a crash involves only vehicles for instance collisions with other vehicles and roll overs increase the number of injuries more than the other types of crashes (collision with animals, collision objects, pedestrians, falling from moving vehicle, cyclist and motorcyclists). In contrast, Single vehicle crashes were significantly lower among IGE1 and insignificantly more with CZI, what this means is that crashes that involved one vehicle have the potential to reduce injuries, the fact is that with a single vehicle it is usually that the number of casualties are few for example: in a pedestrian crash, only one person gets either injured or killed, and most vehicles have a maximum of 5 occupants.

## CONCLUSION

The risk factors associated with road traffic injuries were clearly stipulated in this study: Month, Day of crash, Region, Crash type, crash cause, number of vehicles involved, and the time the crash occurred.

The Risk factors that influence crashes have been determined and found as follows: The types of crashes for vehicle to vehicle collisions and roll overs posted a greater probability to injuries as compared to pedestrians, collision with fixed objects, fall from moving vehicles and collisions with animals. Causes of crashes were another estimator of injuries; the study found that driver behaviour is a much larger contributor to injuries than other factors such as reckless and negligent driving, speed, poor visibility and being intoxicated. Other causes like the tyre bursts, mechanical failures, weather conditions and road designs are not the huge contributors to injuries. The month in which a crash has occurred is significant when specifically looking at school holiday month which are also months in which most public holidays fall (January, April, May, August and December), these holidays showed a great concern in the number of injuries in a crash. The weekend also proved to increase the number of injuries per crash. Finally, the geography of the crash plays a role in the number of injured persons per crash. The Oshana, Omusati, Ohangwena, Oshikoto, Kavango and Otjozondjupa regions contribute more to the number of injuries compared to other regions. Crashes with fatalities are also good predictors of road crash injuries.

## RECOMMENDATION

- 1 Policy makers should concentrate on crashes reduction mechanisms that focuses on driver behaviour, issues of speed and being intoxicated post a greater risk to injuries. Since speed is the second cause of crash after reckless and negligent driving, laws can be passed that regulates speed; for instance, introduce the arrest on the scene mechanism, where if a driver is found driving beyond the speed limit, should be arrested and should appear in court before continuing with their destination.
- 1 The introduction of the penalty points system in Namibia may just be the answer, seeing that driver



behaviour poses a huge risk to the increase of crashes. Novoa (2010), did a study to assess the effectiveness of the penalty points system introduced in some European countries showed that in Italy, Ireland and Spain indicated a reduction in the number of people injured by 19%, 36% and 12% respectively.

- 1 School holiday months coincided with public holidays, weekends revealed high intensity of injuries. Campaigns should be concentrated during this time periods to check for speed and whether the driver is intoxicated while operating a vehicle. This interactions should be set up any time of the day, the study showed that peak time are not the dangerous times to drive early morning hours and very late at night is a time to explorer.
- 1 As suggested by Reynolds et al., (2009) a construction of a bicycle and pedestrian only lane plus sufficient pedestrian and cyclist crossing in towns may be the key to reducing pedestrian and cyclist types of crashes that contribute 28% to crashes. Furthermore, almost half of all deaths on the world's roads are road users with the least protection – motorcyclists, cyclists and pedestrians (WHO, 2015).

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# FEDERALISM, FEDERAL POWERS AND THE POLITICS OF RESTRUCTURING IN NIGERIA

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## ABSTRACT

The fact that Nigeria is a very wealthy country both in human and mineral resources could be debatable since wealth is relative. What is, however, incontrovertible is the growing disparity between the wealthy and the wretched, and the general unevenness in the spread of infrastructural and human capacity development across the country. While several reasons have been advanced for this anomaly, this paper toes the path of structural functionalism by ascribing this ill to the faulty nature of Nigeria's federalism which concentrates excessive power and resources in the hands of the federal ruling elite class, with a chronic history of mismanagement, at the expense of competitive/concerted development. While it's become a common knowledge that this centrifugal arrangement has hindered altruistic and steady development, remedying it is politicised under the jamborees of 'national sovereign conferences' and campaign promises of 'restructuring'. In this, lies the politics of underdevelopment in Nigeria.

## INTRODUCTION: HISTORY OF FEDERALISM IN NIGERIA

Nigeria emanated as a polity by a colonial fiat which artificially demarcated and made a country from a span of territories containing a heterogeneous population of 'strangers' (Ayua and Dakas, 2005). Before the amalgamation in 1914, Nkwede et al. (2018) noted, the current geographical entity called "Nigeria" was once a conglomeration of "empires," "emirates," and "kingdoms," that were autonomous and sovereign with distinct socio-cultural, political, and economic realities (p.113).

Indeed, pre-colonial Nigeria consisted of some distinct and powerful entities such as the Benin Kingdom, the Sokoto Caliphate, the Oyo Empire, and states in the Middle Belt and East and Nigeria Delta (Ayua and Dakas, 2005:241). "It is only [therefore] by the accident of British suzerainty," Babatunde (2015:1) argued, that the Nigerian polity became a reality. Consequently, the choice of federalism as the preferred system of government for Nigeria was not accidental (Majekodunmi, 2015:110). There is a consensus by scholars that the history of federalism in Nigeria has been the history of succeeding attempts by the British colonial power to manage the resources and diverse set of peoples it had coalesced into single polity (Babalola, 2019:2).

As rightly observed by Emmanuel (2016:1), Nigeria is a byproduct of the 1914 amalgamation of the Northern and Southern Protectorates by British Sir Fredrick Lugard, who became its first Governor-General. This amalgamation, Ekpo (2017) posited, was exclusively made to serve British imperial and capitalistic interests as it negated every form of group contradictions for British economic and administrative convenience (p.28). Nigerians saw themselves as distinct people and seized every opportunity to voice that disposition. While a nationalist of the defunct Western Region, Obafemi Awolowo, averred that "Nigeria is not a nation" but "a mere geographical expression" (Emmanuel, 2016:34), a future Prime Minister of Nigeria, Tafawa Balewa, called attention to the fact that Nigeria "existed as one country only on paper" and hence, "is only a British intention for the country" (Siollun, 2009:12). Furthermore, Sir Ahmadu Bello, the leader of the then ruling Northern Peoples' Congress (NPC), stated in his 1962 autobiography that the 1914 amalgamation was a mistake (Emmanuel, 2016:34).

Since the amalgamation of 1914 was purely for economic interest, the British ran the colony as a unitary state (Gebeye, 2019:9), albeit, the administrative system of Nigeria wore an outlook of a federation (Thom-Otuya,



2013:30; Fawole and Bello, 2011:241; Elaigwu, 2013:15). This separate existence under a single umbrella of Britain, Amah (2017) averred, was evident in the divide-and-rule orchestrated by British indirect rule policy which promoted ethnic nationalism (p.291). However, the difficulty of the colonial unitary policy in managing a highly heterogeneous and multicultural people necessitated the need for a more befitting governance structure (Umoh and Adeyi, 2019:2).

Correcting the “1914 mistake” therefore culminated in a series of reforms and constitutional changes that paved way for federalism in Nigeria. To this end, there were four different constitutions written as remedies to the structural anomalies in colonial Nigeria (Ebegbulem, 2011:219) viz. Clifford constitution (1922), Richards Constitution (1946), McPherson Constitution (1951), and Lyttleton Constitution (1954). While the Clifford Constitution introduced elective principles, the Richards Constitution enshrined three regions (Western, Eastern and Northern) which the McPherson Constitution leveraged on to establish its quasi-federal structure and was maintained as the component units of the real federalism established by the Lyttleton Constitution in 1954 (Osieke, 2006:201).

Nevertheless, while the early post-independent federalism brought about human resources/economic development and healthy competition among the various regions, the post-1966 federalism gradually mutated this structure from centripetal to a centrifugal, thereby, emasculating the units which were a hitherto centre of development. In this paper, we attempt to examine the politics in the hyper-centralization of political power in Nigeria's federalism and its implications on altruistic development.

### **THE NATURE OF NIGERIA'S FEDERALISM AND ITS CONTRADICTIONS**

If traced to what was initiated in the United States of America (1787), the Swiss Confederation (1848), the Dominion of Canada (1867), and the Commonwealth of Australia (1900) (see Rath, 1978) or the postulations of Wheare (1946), Riker (1975) King (1982) Elazar (1987) and Watts (1996), federalism is supposed to resonate the subject of mutual exclusivity and inclusivity in power sharing and autonomy between the centre and peripheries in a federation. Rightly so, the above precept defined the character of Nigeria's federalism between 1954 and 1966.

The pre'66 federal structure, it has been argued, maintained enviable power sharing formula with powerful units such that “in the event of a conflict, for example, regional laws took precedence over federal laws in the areas of joint legislative competence” (Babalola, 2019:5). This arrangement, coupled with the regionalization of the national economy, Babalola further stressed, created regional economic power hubs and “allowed the regional bourgeoisie to compete amongst themselves for regional political power, which was regarded as a prerequisite for economic power, which in turn was a prerequisite for power acquisition at the federal level” (p.3). By this time, rivalry actually began at home with regions competing for prestige in development, at the envy of the federal government. In the words of Majekodunmi (2015):

None of them [regions] was totally or near totally dependent on the centre for its fiscal and other needs. Each region was strong enough and rich enough to take care of itself. The main criticism of this arrangement was that the regions were too powerful, and the centre was too weak for a meaningful federal system and national unity (p.111).

Rather than worry about development, the concerns then were on national cohesion. This was actually a legitimate concern as the struggle for national dominance by regional parties eventually collapsed the country into the crises of military interventions, civil war, and constitutional rewritings. With military autocracy came hyper-centralization of power and deliberate demagogues to weaken the regions. The desire to control oil resources culminated in the centralization and transformation of the country into a mono-economy. And the creation of various states from hitherto regions “weakened the resource base of the states” (Elaigwu, 2006). By 1979, Nigeria switched from Parliamentary to Presidential system of government that created a super chief executive with excessive powers. This structure was revived in 1999 and forms the basis



of the present structure of Nigeria's federalism.

By its current structure, Nigeria's federation consists of thirty-six states and a federal capital territory. The government is further divided into three tiers – federal, state, and local governments. There is a federal executive, bicameral legislature as well as judiciary. States operate in same arrangement but with unicameral legislature. While the president is the head of the federal executive, governors are the chief executive of their respective states and the local governments are headed by chairmen (see Osieke. 2006b:23). The Constitution earmark powers for the federal (exclusive), states and federal (concurrent) and state and local (residual) governments and grants the Supreme Court the judicial powers to settle intergovernmental disputes.

The nature of Nigeria's fourth republic federal structure is similar to what was obtainable during the military rule, where the centre is entrusted with so much power and overriding privileges against its component units culminating a sharp opposite to what was obtainable in Nigeria's first republic (Abebe, 2013:62). The exclusive legislative list has sixty-eight items, while the concurrent legislative list has twelve” (Elaigwu, 2006:213). The powers of the federal government cover areas such as: accounts of the government of the federation; arms, ammunition, and explosives; aviation (including airports); awards of honours and decoration; bankruptcy and insolvency; banks, banking, bills of exchange, and promissory notes; borrowing money inside and outside Nigeria for the purposes of the federation or any state; census; citizenship, naturalization, and aliens; commercial and industrial monopolies; construction and maintenance of federal trunk roads; control of capital issues; copyrights; creation of states; currency, coinage, and legal tender; customs and excise duties; defence; diplomatic, consular, and trade representation; drugs and poisons; election to offices of president and vice president, governor, or deputy governor; evidence; exchange control; export duties; external affairs; extradition; immigration and emigration; implementation of treaties; insurance; incorporation, regulation, and winding up of corporate bodies other than those established by a law enacted by the state Houses of Assembly; labour; maritime shipping and navigation; meteorology; military (army, navy, and air force); mines and minerals; national parks; nuclear energy; passports and visas; patents; trademarks, trade, or business names; pensions and gratuities payable out of the public funds of the federation; police and other government security services established by law; posts, telegraphs and telephones; powers of the federal National Assembly and the privileges and immunities of its members; prisons; public debts; public holidays; public service of the federation; quarantine; railways; regulation of political parties; service and execution in civil and criminal processes, judgments, decrees, and other decisions of any court of law inside or outside Nigeria, except for laws made by the states; stamp duties; taxation of incomes; profits and capital gains, as provided by the Constitution; trade and commerce; traffic on federal trunk roads; water from sources declared by the National Assembly to affect more than one state; weights and measures; wireless, broadcasting, and television other than those owned by states; any matter with respect to which the National Assembly has power to make laws under this Constitution; and any “matter incidental or supplementary to any matter mentioned elsewhere in this list” (Elaigwu, 2006:213-4).

The concurrent list a mirage as Section 4(5) of the Constitution entrusts the federal government with the absolute veto power to override the state governments in areas of conflict (Umoh and Adeyi, 2019:3; Elaigwu, 2006:214). This creates a highly centrifugal structure which sees state as subordinates than federating units. This is a major contradiction and has been faulted to be “an outstanding feature of a Unitary Government” (Odisu, 2015:1); acclaimed federalism (Egbebullem, 2011:221); “mutated federalism” (Ekpo et al., 2019); “awkward hybrid between popular consent, benevolent dictatorship, and authoritarian regimentation” (Kalu, 2008:33); “weak”, “fragile”, “convoluted” and sometime “failed” (Nkwede et al, 2018:116); and “very sick, unbalanced and lopsided especially in terms of the over-centralization of power” (Majekodunmi, 2015:112).

Its economic emasculation of the states which breeds dependency culminates in Nwaeze (2017) labeling Nigeria's federalism as “feeding bottle federalism” and warning that, Nigeria is on a pathway to structural morbidity. Only few states are interested in economic activities since there is 'enough' to bring back from





Abuja. The economic incentive of controlling the federal government has become more conspicuous and is blamed for some explosive partisan, sectional and factional politics (Osaghae and Suberu, 2007:21). Nigeria's federalism, Thom-Otuya (2013:31) argued, is built on injustice and falsehood as it deters genuine competitiveness for progress and development among the states.

### **NIGERIA'S FEDERALISM AND THE POLITICS OF RESTRUCTURING**

From the mid-1960s when Nigeria began its centralization mission under the veneer of federalism, a certain crop of military elites and their civilian accomplices seized the economic and development fates of the country for by then, the issues of unity, uniformity and oneness of the country had surmounted that of development. When by 1970 the defunct Biafra surrendered and the unity question was relaxed, the curse of oil had set-in, necessitating the concretization of power-centralization no more as an emergency measure, but a greedy and selfish attempt to control the oil resources of the country to detect the developmental pace of the hitherto 'rebels'. Of course it is a common knowledge that the oil factor was one of the precipitating and escalating causes of the civil war. Keeping the oil off the control of 'our prodigal brothers' meant that the country, even with a federal nomenclature, had to mutate its federalism to fit the penchants of the then elites.

The 1979 Constitution achieved this aim by overpopulating the exclusive list and sterilizing the states from every form of energy it needed to compete with the centre. By this time, the problem of corruption, embezzlement, and mismanagement had set in and the federal government was leading the states to economic crisis and stagnation. Amidst oil boom, the federal government was enmeshed in debt crisis such that it could no longer service it. Above all, policies such as 'quota system' and 'federal character' were not just been abused but used to justify mediocrity and nepotism.

In terms of growth and development, it became apparent that there is a level which the federal government could attain in a large and complex polity as Nigeria. The federal government has proven to be disastrous in its exclusive responsibility of managing the economy and infrastructural needs of the country. This, it has acknowledged through the calling of series of constitutional conferences, dialogues and debates but these have proven to be jamborees.

The Aburi Accord, arguably, could have repositioned Nigeria on the pathway to true federalism and restore the developmental activism of the old but was aborted by the Gowon regime. The Babangida junta noted that the country's federalism was problematic and setup a constitutional review committee in 1988 but warned against altering "agreed ingredients of Nigeria's political order". President Obasanjo in 2005 set-up a constitutional conference but warned against the discussion of 'sacred' provisions of which federalism and federal character were part of. It was the 2014 national conference that the Jonathan regime streamlined the 'sacred' provisions to nothing but "the existence of Nigeria as an indissoluble nation" (see Ekpo, 2017).

Even when the political elites agree that Nigeria's federalism as it stands must be unbundled to facilitate competition, prudence, and development, it is only used by the non-ruling elites as one of the easiest ways to court votes. It is shelved immediately after elections for obvious 'political' reasons. Before the 2019 presidential elections, restructuring was a dominant theme for discourses and debates during campaigns. The ruling All Progressives Congress (APC) even set up a committee, headed by Governor Nasir El-Rufai, to fine-tune its restructuring stratagem. The 2014 national conference called by former president, Goodluck Jonathan, was interpreted as a bait to Nigerians who craved for structural change, especially, as he could have implemented some of its recommendations before the 2015 general elections.

Even when it has become very obvious that Nigeria's "feeding bottle" federalism is a misnomer, ruling political elites prefer the status quo since it offers them the privilege of controlling the redistribution of state resources. Today, some states have melted back to the hitherto regional formations to collaborate on economic and security matters of which the federal government has proven to be incompetent. It is quite apparent that the federal government is suffocating in its bloated responsibility but the federal ruling elites



are never ready for change. If a character like Chief Obasanjo, a two time head of state, could become a major advocate of devolution, then we must agree that federal power intoxicates and that the control over redistribution of the nation's resources could be placed before genuine national development by ruling federal political elites.

## CONCLUSION: TOWARDS FEDERATING FOR DEVELOPMENT

Between 1914 and 1963 when Nigeria became a Republic, there were about seven constitutional changes which were made in response to the yelling of the people. But since 1966 when Nigeria started practicing 'unitary federalism', there has been no substantial constitutional change even when it is becoming anti-people and an anathema to development. It is most worrisome that the oil factor, which is the livewire of Nigeria's 'unitary federalism', has been predicted to be depleted in the next 49 years. There is a need for devolution of powers, especially in the area of economy, so states can access, extract and manage their resources. Federal ruling-elites must place patriotism ahead of greed and facilitate the processes that would culminate in the unbundling of this moribund castle of federal power. The position by Heraclitus that there cannot be progress without competition is still very valid – the federal government must prepare the states for the rainy days by altering the present structure to make it befitting for competition and development as practiced in other federated climes.

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## **WHO WILL SILENCE THE GUNS? (THE YOUTH AS AFRICAN SOLUTIONS TO AFRICAN PROBLEMS)**

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### **ABSTRACT**

The 50<sup>th</sup> Anniversary of the Organization of African Union marked a significant time for reflection on the progress made on the continent, as well as persisting challenges. Protracted civil conflicts, proliferation of small arms and light weapons amongst civilian populations and the spread of violent extremism were identified as significant impediments to the progress of the continent. The initiative 'Silence the Guns by 2020' recognises dialogue-centred conflict prevention and resolution, human centred development and peace as requisite to ensuring and realizing Agenda 2063: The Africa We Want. This paper identifies alternative dispute resolution methods and soft power approaches as key to conflict prevention and management. It also identifies African youth as the African solution to African problems. Using examples from South Sudan, Somalia, Uganda and Kenya, the paper highlights young people's leadership and peacebuilding efforts towards silencing the guns. The paper calls for recognition and engagement of this emerging leadership.

### **INTRODUCTION**

In 2013 during the 50<sup>th</sup> anniversary of the African Union (AU) the leaders reflected on the progress made in the last five decades, while planning for the next fifty years. This led to the launch of the AU's flagship project Silencing the Guns by 2020 which was first adopted in 2013. In February 2020, The African Union (AU) re-launched the campaign calling for the elimination of illegal weapons in Africa. Ms. Aïssatou Hayatou, the Silencing the Guns in Africa Operations Manager at the African Union Commission (AUC) specified that the campaign is primarily targeting governments (member states) because the responsibility of providing peace and security lies with governments. However, she also emphasized a focus on youth because, "It is their future at stake," (Musau, 2019). It is in this context that this paper makes the case for the youth as African solutions to African problems in the bid to silence the guns – be it physical or figurative guns.

The paper seeks to showcase that the youth are emerging as leaders who are silencing the guns through alternative approaches to state-led processes. It challenges the securitisation of the youth bulge in Africa (Sukarieh & Tannock, 2018; Olawale & Abiodun, 2007), and demonstrates that the quest for African solutions to African problems lies within the "youth bulge". In the process, it contributes to the argument that peace and security in Africa is a leadership issue (Olonikasin, 2017).

The paper is divided into five sections besides the introduction. First, it discusses the African landscape and initiative to silence the guns by examining the progress made, challenges and opportunities. Second, it tackles the securitization of the youth bulge and argues that the youth are critical to solving the problems Africa is facing including violence and conflict. The third section appreciates the need to tackle illicit proliferation of small arms and light weapons (SALWs). The fourth section discusses soft power approaches to silencing the guns when dealing with terrorism and violent extremism. Fifth the paper calls for recognition and engagement with the leadership and solutions offered by young people in the bid to silence the guns.

### **SILENCING THE GUNS IN AFRICA'S LANDSCAPE**

The African Union's (AU) flagship project Silencing the Guns 2020 was borne out of African leaders' resolve "not to bequeath the burden of conflicts to the next generation of Africans and undertake to end all wars in Africa by 2020" (African Union, 2013). The realization that, even after 50 years of existence, the AU had not



adequately addressed the issue of conflict on the continent, motivated the adoption of the project to be part of the broader developmental Agenda 2063.

The initiative was created with the objective of ending all wars, civil conflicts, gender-based violence, violent conflicts as well as genocides by the year 2020. This is in tandem with the Sustainable Development Goal (SDG) goal 16.4, which aims at significantly reducing financial and arms flows by 2030. The goal of silencing the guns by 2020 is also key to achieving Agenda 2063 (ACCORD, 2015; African Union, 2019).

Additionally, aspiration 4 of Agenda 2063 explicitly aspires for a peaceful and secure Africa grounded in grass-rooted social cohesion, management of diversity and equitable socio-economic transformation. It aspires for an Africa free from armed conflict, terrorism, organized crime, intolerance and gender-based violence, which are major threats to human security, peace and development. That Africa will have ended the illicit trade and proliferation of small arms and light weapons. (African Union, 2015).

Musau (2019) notes significant achievements over the past two decades since the adoption of the project. Guns have been silenced in previous conflict areas such as Angola, Cote d'Ivoire, Liberia and Sierra Leone. Potential flare-ups have also been addressed through this initiative. However, challenges exist in countries such as Libya, South Sudan, the Central African Republic, the eastern Democratic Republic of Congo, and the Lake Chad Basin where violence persists (Musau, 2019). Additionally, the threat of violent extremism and transnational crimes remains within the Horn of Africa, the Sahel region and is spreading in northern Mozambique.

### **TACKLING THE YOUTH BULGE DILEMMA**

The African Youth Charter defines youth as people aged between 15 and 35 and according to a report by Mo Ibrahim Foundation 60% of Africa's population was below the age of 25 as of 2019 (Mo Ibrahim Foundation, 2019). The Institute of Security Studies study states that Africa's population is the fastest growing in the world and will account for nearly half of the global population growth over the next two decades (Institute of Security Studies, 2017). It also states that by 2035, half of Africa's citizens will still be under 21 years old and notes that this demographic divide can be harnessed. However, the report cautions that if governments fail to provide adequate public services and employment in the context of pervasive poverty and inequality, youthful populations presage an increased risk of social instability and political violence.

Similarly, a study by Population Action International ascertained a relationship between countries with an increased youth population and those inclined to civil conflicts (Population Action International 2012). It makes the claim that a growing young population has the potential to destabilize states that lack the capacity to accommodate and cater to their needs. The theory contends that deficient state capacity manifests in lack of (quality) education, high rates of unemployment and lack of access to healthcare services, which produces a disgruntled youth population that is susceptible to recruitment into "rebel" or terrorist groups (Beehner, 2007). Braungart (1984), who writes in agreement with Beehner (2007), puts forward that rising youth unemployment in any given society undermines the legitimacy of the political authority and stability of the political system. Thus, the AU Operations Manager in an interview (Musau, 2019), noted that 600 million young people in Africa are unemployed, uneducated or in insecure employment. She asserted that there is a need to invest in economic development to prevent the youth from taking up arms.

It is however important to note that narratives of the youth as given to violence are misleading and misrepresent the "youth bulge" as a security threat. Olawawale and Abiodun (2013) assert that the reality of a youth upsurge in many African countries presents both challenges and opportunities for national socio-economic transformation. Aya Chebbi, the Youth Envoy to the African Union has furthermore pointed out that,

[it is indeed] ...first and foremost a question of narrative. When African youth get the worst leader's attention they are talked about as perpetrators of violence with images carrying the guns, as the dangerous class, as the



number of the unemployed, as migrants dying in the Mediterranean, as a youth bulge. But they are not spoken of as a generation of peacebuilders that changed the course of history, that revolutionised technology; that inspired new ways of citizen engagement. [It is worth noting that] African youth do not resign themselves to the hardships of their situation. They are using their agency and creativity to build the Africa we want (United Nations, 2019).

By large 'youth-hood' often carries a political undertone that creates distance between young people and formal power structures. This is because beyond the age categories, youth is a stage of transition from childhood to adulthood otherwise known as waithood (Alcinda Honwana, 2012). The transition is not only physical, but also psychological, social, gendered, and political. It is informed by the cultural, socio-economic, political context; it prescribes the position of the youth in the present and future social order.

The establishment of the Office of Youth Envoy to the African Union in November 2018 is a step toward mitigating the distance between young people and the mission of the AU, allowing for intergenerational dialogue, exchange of influence and synergy. Additionally the African Youth Charter adopted in 2009, recognises that the youth are “partners, assets and a prerequisite for sustainable development and for the peace and prosperity for Africa with a unique contribution to make to the present and future development of Africa”. It further charges the youth to be custodians of their own development (Africa Union, 2009) and recognizes that young people are making efforts to build peace. As Africa searches for African solutions to African problems, this paper asserts that the youth are the African solution to African problems. Moreover, with the youth constituting over 60% of Africa's population, any solution in Africa that does not involve them consequently excludes over half of the African population (Obonyo, 2020).

### **TACKLING THE ILLICIT PROLIFERATION OF SMALL ARMS AND LIGHT WEAPONS**

The proliferation of small arms and light weapons (SALWs) in Africa is largely due to their low cost and ease of management. The illicit flow of these weapons has contributed to increased violence and the rapid militarization of civil society. Transnational crime, intra-state conflict and terrorism thrive on proliferation of small arms and the illegal small arms trade (Religions for Peace, 2017). About 80% of all small arms in Africa are in the hands of civilians according to the Small Arms Survey (SAS). Civilians, including rebel groups and militias, hold more than 40 million small arms and light weapons while government-related entities hold less than 11 million according to the 2019 SAS and African Union study, Weapons Compass: Mapping Illicit Small Arms Flows in Africa (Musau, 2019).

Geoffrey Duke, a member of South Sudan Action Network on Small Arms (SSANSA), in an interview noted that South Sudan which has a population of slightly over 8 million has approximately 3 million arms in circulation. It is also believed that half of the arms in circulation (1.5 million weapons) are in the hands of civilians (Overton, 2013). In the Focus Group Discussion Report titled Youth perspectives on peace and security: South Sudan, one youth is quoted saying “my gun is my salary”. This youth admitted to killing three people, selling their guns, and using the money to buy cows for dowry (Conciliation Resources, 2018). For him and others, the gun is a sure way of earning a livelihood, transitioning from childhood to adulthood, securing aspirations and place in the community. Hence, this points to the need to not only end overt violence, use and trade of guns but also to redress the structural drivers and enablers of violence and conflict. The AU recognises that it is imperative that the root causes of African conflicts are redressed; that most African challenges can be mitigated through prioritizing development and investing in the continent's growing youth population. (Musau, 2019; Africa Union, 2009; Africa Union, 2015).

As part of the campaign, September 2020 was set as an amnesty month during which guns could be turned in to authorities without penalty. This included all illegally acquired light weapons used in cattle rustling, crime, and urban violence. Otherwise the illicit proliferation of small arms and light weapons destabilises communities, security, and development (ACCORD, 2015). It challenges the nature and authority of the state premised on “the monopoly of the legitimate use of physical force within a given territory” (Weber, 1945,



p.4). This is especially relevant in Africa, given that many nations are generally characterised by weak institutional environments unable to ensure human rights, social services, good governance, and rule of law in all occupied territories. (ACCORD, 2015).

## **SOFT POWER APPROACHES TO SILENCING THE GUNS**

Hard power or military approaches to countering violent extremism have proved to be costly, both financially and in terms of human capital. They have also been criticised as being unsustainable and ineffective, as operations are often funded by non-African governments and institutions and these violent extremist groups still pose serious security threats. Furthermore, the “war on terror” has resulted in heavy-handed responses culminating in human rights violations which create conducive grounds for anti-government sentiment and recruitment into armed groups (Amnesty International, 2015). Terrorist acts generally occur at the confluence between existing group grievances (that could be real or imagined), ideological narratives and some margin of operational capability (ACCORD, 2015).

Even as military operations and prosecution of armed groups continue, African states and policy makers should explore soft power approaches as these would build state legitimacy amongst communities. Agenda 2063: Aspiration 4 states that dialogue-centred conflict prevention and resolution will be actively promoted (Africa Union, 2015). Additionally, member states at the Arusha Retreat agreed to prioritise building trust and confidence in all their respective domestic constituencies to better secure a legitimate social contract (Accord, 2015). Although dialogue with militant groups is a complex and time-consuming process, it shows the state's willingness to prioritize human security over state security which in the long-term creates a conducive environment for ending cycles of violence thus providing a long-term solution (Olojo, 2019).

For example, Ilwad Elman in 2010 returned to Somalia from Canada while the majority of Mogadishu and South Central Regions of Somalia were under Al-Shabaab authority. Alongside her mother Fartuun Adan and sisters, she co-founded the Elman Peace Centre, in honour of her father Elman Ali Ahmed who coined the mantra “Drop the Gun, Pick up the Pen”. She also opened the first rape crisis centre in Somalia for survivors of sexual and gender-based violence. She intentionally engaged young men and boys in conversations about sexual violence to change the social attitude about sexual and gender-based violence. Ilwad's initiative has helped to de-radicalize young people who had joined Al Shabaab by supporting their disengagement, rehabilitation as well as reintegration into society (Specter, 2019). Given its effectiveness, the initiative has been replicated in Mali, Cameroon, and Nigeria.

Similarly, in northern Uganda Victor Ochen is cultivating healing, peace education and youth leadership out of the obscurity of conflict, trauma and marginalisation. Victor Ochen spent 21 years of his childhood in refugee camps. He grew up amidst violent conflict that displaced over 3 million people, more than 60,000 children were abducted and forcefully recruited as child soldiers including his brother. As part of his contribution to peacebuilding in northern Uganda, Victor through the African Youth Initiative Network (AYINET) has provided reconstructive medical repair to over 21,000 war victims of rape, mutilation, and gun shots. AYINET also champions peace education, transitional justice, youth leadership and development. Furthermore, recognising that efforts towards ‘silencing the guns’ must go beyond redressing overt violence (ACCORD, 2015), there is need to acknowledge youth leaders who are helping to redress structural violence. One such young leader among many others in Africa is Wawira Njiru of Kenya- the founder of Food4Education. Her initiative is “feeding the future” through the provision of subsidized meals to underprivileged children in Kibera. Kibera is the biggest temporary settlement (slum) in Africa and one of the biggest in the world. Using smart technology the Food4Education initiative provides approximately 10,000 meals a day (Food4Education, 2019). Each student is issued a Tap2Eat wristband linked to a virtual wallet into which parents deposit money for the subsidized lunches (Mwambari, 2020). When schools were closed due to the COVID-19 pandemic, Food4Education found means to provide food to the children and their families while observing government precautions. In several ways, Food4Education is addressing some of



the structural violence, causes of inequality and conditions that drive individuals to be more inclined to disaffection, crime and even urban violence (Solomon, 2020).

## **SILENCING THE GUNS THROUGH EFFECTIVE LEADERSHIP**

Examples like that of Wawiru of Food4Education challenge mainstream leadership narratives that tend to focus on designated offices, institutions and government as sources of leadership while undermining the agency and leadership which often emerges in the everyday and informal spaces (Mwambari, 2020). According to Fanon, “each generation must, out of relative obscurity, discover its mission, fulfil it, or betray it,” (Fanon, 1963; Mwangola, 2011). Young people like Geoffrey Duke, Ilwad Elman, Victor Ochen and Wawira Njiru have identified their missions: to end violence and build peace by offering solutions specific to their community problems. Using intimate knowledge of their contexts, these young people are responding to their societal needs in direct and appropriate ways (Mwambari, 2020).

It is in offering these solutions that they are also offering the kind of leadership that can silence the guns in Africa. It is a leadership that is borne out of a shared vision for peace and utmost desire for change for themselves and their communities (Olonisakin, 2017). A look at leadership as a process recognises that leadership emerges out a shared vision to resolve a particular situation at hand, that the process is fluid and hinges on mutuality, an exchange of influence and agency between the emergent leader and followers.

Mutuality entails “a sense of common purpose — between person(s) engaging in leadership and the population to whom leadership is directed. It is difficult to achieve effectiveness in dealing with situations of conflict and insecurity when there is no common goal or mutuality between leaders and the population that they seek to lead,” (Olonisakin, 2017). This resonates with the observation by member states at the Arusha Retreat of the need to prioritise building trust and confidence in all their respective domestic constituencies to better secure a legitimate social contract (Accord, 2015).

The need for transformative leadership to achieve the 'Africa we want' (Africa Union, 2015) and reorganisation and reorientation of the social order, beliefs and values is inevitable (Todaro, 1980). In fact, Pan-Africanism is not founded on marginalisation of the youth but rather the engagement of the youth as partners, assets and critical stakeholders to sustainable development and peace. Moreover, the generation that led the liberation struggle of Africa was not considered to be too young; it discovered its mission and fulfilled it (Fanon, 1963; Mwangola, 2011). Inevitably the youth have a propensity to confront and contest unconducive situations because it is their future at stake. The AU and member states must therefore engage this propensity to secure peace and security in Africa.

## **CONCLUSION**

African leaders committed to Silence the Guns in Africa by 2020. To this end the African Union launched the Silencing the Guns campaign in February 2020 premised on finding African Solutions to African Problems. The paper has demonstrated that even though governments are primarily responsible for peace and security, the youth are key stakeholders to the African solutions to African problems. With the youth constituting 60% of Africa's population, any solution in Africa to Silence the Guns that does not involve them consequently excludes over half of the African population (Obonyo, 2020). Using examples, the paper has showcased the leadership that is happening in mundane, alternative and everyday spaces away from state and international platforms in Somalia, Uganda and Kenya. It has proposed comprehensive engagement and recognition of solutions and leadership being offered by young people on the continent to silence the guns, build peace and achieve the Africa we want.





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## IMPACT OF INFRASTRUCTURE ON TRADE: AN EMPIRICAL ASSESSMENT BY THE GRAVITY MODEL IN ECOWAS

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### ABSTRACT

Increased trade is seen as one of the channels that can boost economic growth in ECOWAS. However, we are witnessing a relative decline in intra-ECOWAS trade. This relative weakness in intra-African trade is said to be due to trade barriers and obstacles, like the quality of infrastructure and transportation costs. In this paper, research is made into understanding the impact of infrastructure quality on trade in ECOWAS countries by referring to the gravity model. Estimates show that bilateral trade increases as the quality of infrastructure improves. Also, the results show that the value of bilateral trade increases with the size of the economies. Overall, geographical and structural factors have a decisive impact on intra-regional trade.

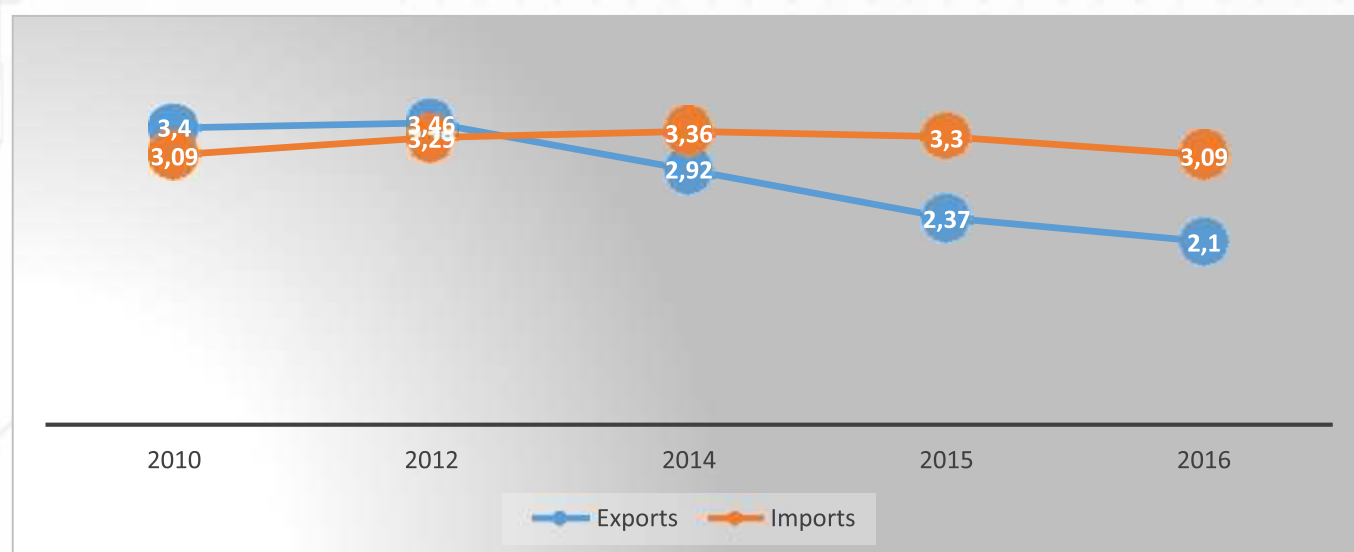
**Keywords:** *Trade, infrastructure, gravity model, ECOWAS*

**JEL Codes:** F13, F15, N17, N77, 018, O55.

### INTRODUCTION

In the context of trade globalization, the aspiration of developing countries, particularly those in Africa, to achieve development through sustainable growth, employment creation, reduction of income inequality and poverty is linked to their interaction and integration into the world economy. The integration of the least developed countries into the global market offers the opportunity and potential for rapid growth and poverty reduction (Martinez & Poole, 2004). As a result, particular attention has been paid to trade as a real channel through which countries can interact economically. International trade theorists, particularly those from the Orthodox tradition, recognize a beneficial effect of trade and countries could benefit from their participation. Africa's share of world merchandise trade, valued in USD, fluctuated between 3.4% and 2.1% from 2010 to 2016 (see figure below). During this period, Africa's annual exports and imports have been relatively stable (around \$500 billion), with imports slightly exceeding exports in recent years. The trade balance was positive until 2012 and negative until 2016 due to a decline in the value of exports.

### SHARE OF AFRICA'S TRADE IN WORLD TRADE



Source: AUSTAT, 2017



Intra-African trade is very important for the economic development and integration of the continent. However, the share of intra-African trade in Africa's total imports and exports remains rather low at 13% for intra-African imports and 17% for intra-African exports over the last seven years (AUSTAT, 2017). While the value of total exports decreased, the intra-export share increased by 30% in 2016 compared to 2010. This relative weakness in intra-African trade is said to be due to trade barriers and obstacles. We can cite, for example, the quality of infrastructure and transport costs that reduce trade flows in Africa.

There is a consensus in the economics literature that improved infrastructure changes the comparative advantages of production, as it reduces production costs and increases the competitive prices of the product to be exported (Buys & al, 2006; Nordas & Piermartini, 2004; Limao & Venables, 2001). Improvements in infrastructure, both physical and non-physical, could promote trade by reducing the costs of doing business. Moreover, in the current economic environment, infrastructure-induced reductions in business costs have become relatively more important than direct policy barriers as a source of savings (Brooks & al. 2005).

There is extensive literature linking the incidence of trade costs due to poor infrastructure to the volume of trade (Lawrence, 2014; Clarke & al, 2004; Amadji & Yeats, 1995). Most of these studies show that the number of components of trade costs has a significant impact on the structure of international trade. De (2008) found that reducing tariffs and transport costs by 10% each would increase bilateral trade by about 2% and 6% respectively. Consequently, the propensity to increase the volume of trade is stronger with the reduction in transport costs than with the reduction in tariff costs. On the other hand, according to Khadaroo and Seetanah (2010), moving a firm to a labour-intensive country with poor transport infrastructure offsets any advantage that cheap labour offers.

Investing in a country's hard infrastructure has a relatively immediate effect and harder proof on economic performance compared to investing in soft infrastructure, which is more qualitative in the immediate term (Ahmad & al, 2015). Finding the right balance is the key to optimizing a country's economic performance. Given the above, the following question becomes pertinent: How does infrastructure development affect trade in sub-Saharan Africa?

Thus, the objective of this study is to determine the impact of infrastructure on trade flows in West Africa. From this main objective, we deduce the following specific objectives: (i) identify the various trade barriers in West Africa, (ii) examine intra-ECOWAS trade trends, (iii) quantify the effects of infrastructure development on trade in West Africa. In reviewing the literature, there is little work on the effects of infrastructure on trade flows in sub-Saharan Africa. From this point of view, the present work aims to fill this gap by focusing on West Africa, using the gravity model.

## OVERVIEW OF THE LITERATURE

The economic literature generally shows a direct impact of transport infrastructure on trade. Investment in transport infrastructure has a direct impact on trade flows (Lawrence, 2014; Nordas & Piermartini, 2004). Port efficiency has a particular influence since the vast majority of port activity for developing countries' trade (by weight) passes through seaports. Airports and seaports can carry more goods, especially for container transport, when they are served by efficient rail and road networks. Infrastructure development beyond national borders can also have an equal effect on the length and variability of time to market as freight services between countries. This state of affairs is more justified in the case of landlocked countries and countries with a significant market share, where inland dry ports have partly evolved to absorb this lapse.

For a long time, infrastructure has played an important role in the integration of markets between countries. Unfortunately, there is little empirical work on the impact of infrastructure on trade. The realization of gains from trade liberalization will be hampered because high trade costs are a barrier to trade. The work of Anderson and van Wincoop (2004) argues that international trade costs and local distribution costs are very high and together dominate the marginal cost of production. This suggests that tariffs are no longer the sole



and main barrier to trade because of their substantial reductions over the past decades. An improvement in the quality of infrastructure is necessary to reduce business costs. Work by Aschauer (1989) examining the link between infrastructure and trade, showed a slowdown in U.S. productivity and a slowdown in infrastructure investment.

According to Brooks (2008), of all infrastructures, transport infrastructure has the most direct impact on trade. Airport and maritime infrastructure could have a significant impact on trade if served by efficient rail and road networks. In other words, a more developed transport system tends to have lower transport costs and may be able to increase business opportunities since it is more reliable and can handle more movements.

Other authors focus on access to maritime transport and the distance between major markets. The work of Limao and Venables (2001), using the gravity model on sub-Saharan African countries, confirms this argument of geography in explaining trade patterns. These authors find that the relatively low level of trade flows is largely due to poor infrastructure. This study estimated that the elasticity of trade flow concerning trade costs is about -3.0, while infrastructure differences account for 40 per cent of the variation in transport costs for coastal countries and up to 60 per cent for landlocked countries. De (2009) goes further and estimates that the cost of commercial transport would increase if the country were landlocked. Since almost all shipments from landlocked countries have to transit through neighbouring countries. This increases costs, thus multiplying transport costs. Besides, it found that commercial transport costs across South Asia are very high and vary by commodity because the region is landlocked. Landlocked countries have relatively high transport costs and trade can be facilitated by upgrading transport facilities and infrastructure.

Ramli and Ismail (2014), considering a panel data set from 1980 to 2009, found that railways and paved roads significantly reduce the costs of trade in ASEAN countries. This supports the theoretical and empirical literature that the development of basic infrastructure increases the accessibility of goods from the producer to the consumer, thereby significantly minimizing trade costs. Based on data on US imports of electrical and electronic products from Malaysia, Tham et al (2009) showed that average freight and insurance rates for all modes are higher than average tariff rates for almost all products due to the progressive liberalization of tariffs under Malaysia's World Trade Organization (WTO) commitments. The results imply that relative shipping costs significantly determine the relative quantity of exports transported by air. The relationship is negative, indicating that the higher the relative average costs of air transport compared to sea transport, the fewer exports of electrical and electronic products are shipped by air.

Almost all discussions of the contribution of infrastructure to trade take into account the state of the infrastructure and a summary description of the quality of the infrastructure. Also, most of the studies carried out only take into account transport infrastructures, and forget about telephone, electricity, etc. infrastructures, which is why this study tries to contribute to the empirical analysis by taking all these factors into account.

The contribution of this study is twofold: Firstly, the positive aspect of this research intends to enrich existing theoretical models that seek to explain the relationship between infrastructure development and trade in ECOWAS based on the gravity model. Second, the research will include a normative component providing a series of recommendations to policymakers to enable them to (i) better understand the challenges of infrastructure development as an engine of economic growth, and (ii) support their arguments and proposals in international trade negotiations at the national, regional and global levels.

## **METHODOLOGICAL FRAMEWORK**

### **Theoretical framework**

In this study, the gravity model was employed to analyse the data and explain the effect of the variables in this model on the volume of trade in sub-Saharan Africa. This model based on the determinants of trade flows has been used in several variants by several authors to determine trade flows between two countries. Many





authors using this model agree that the determinants of bilateral trade are distance, income levels, and country size (Rose, 2001; Feenstra, 2002; Anderson & Van Wincoop, 2004;). The application of the gravity principle to trade volumes is probably one of the most stable and robust empirical relationships in economics (Mucchielli & Mayer 2005).

In its simplest expression, the gravitational equation for any pair of countries (i, j) is as follows:

$$com_{ij} = A * dist_{ij}^{\beta_1} (y_i * y_j)^{\beta_2}$$

Where

Com<sub>ij</sub> represents the value of bilateral trade between country i and country j.

Y<sub>i</sub> and y<sub>j</sub> represent respectively the Gross Domestic Products (GDP) of countries i and j; Dist<sub>ij</sub> measures the distance between country i and country j.

A,  $\beta_1$  and  $\beta_2$  are coefficients;  $\beta_1$  is assumed to be negative while  $\beta_2$  is assumed to be positive.

### Econometric Form

The variable of interest is the quality of infrastructure, the engine of trade growth since the aim of this study is to examine the effect of infrastructure development on trade in West Africa. All other variables are control variables. The gravitation equation can be written as:

$$\ln(x_{ij}) = \alpha_0 + \alpha_1 Comlang + \alpha_2 comcol + \alpha_3 fta + \alpha_4 ldist_{ij} + \alpha_5 lgdp_i + \alpha_6 lgdp_j + \alpha_7 lpop_i + \alpha_8 lpop_j + \alpha_9 trans\_infr\_i + \alpha_{10} trans\_infr\_j + \alpha_{11} elect\_i + \alpha_{12} elect\_j + \alpha_{13} overall\_i + \alpha_{14} overall\_j + \epsilon_{ij}$$

Where x<sub>ij</sub> is the total exports from country i to country j.

GDP<sub>i</sub> and GDP<sub>j</sub> refer to the gross domestic product (GDP) of countries i and j respectively;

pop<sub>i</sub> and pop<sub>j</sub> refer to the population size of countries i and j respectively;

Dist<sub>ij</sub> is the relative distance between trading partners

Fta is the regional trade agreement (RTA) dummy variable, which is 1 if the trading partners are in the same RTA and 0 otherwise,

comLang<sub>ij</sub> is the language dummy variable, which is 1 when the partners have a common language and 0 otherwise.

Comcol<sub>ij</sub> is the common colonizer variable, it is equal to 1 if both partners were colonized by the same colonizer and 0 otherwise.

trans\_infr<sub>i</sub> and trans\_infr<sub>j</sub> refer to the transport infrastructure quality index of countries i and j respectively while;

elect<sub>i</sub> and elect<sub>j</sub> refer to the index of the quality of the electricity and telephone infrastructure of countries i and j respectively and,

overall<sub>i</sub> and overall<sub>j</sub> refer to the overall infrastructure quality index for countries i and j respectively,

$\epsilon_{ij}$  is the error term.

### Estimation Technique

Santos Silva and Tenreyro (2006) argue that it is not advisable to estimate the coefficients using a log-linear model. Instead, they suggest using a technique for estimating the pseudo-Poisson Maximum Probability (PPML). PPML is not only consistent in the presence of heteroscedasticity but also deals with null values of





the dependent variable. Estimates based on Poisson probability are consistent even if the data do not follow a Poisson distribution. This estimator thus has the advantage of being convergent in the presence of heteroscedasticity and of dealing robustly with the problem of the high concentration of zero values in the dependent variable.

## Results And Discussions

The research used the gravity model to examine trade relations between ECOWAS countries and their major trading partners. Table 2 below presents the results of the estimates based on the PPML estimator. The estimation results show that the coefficients are consistent with the expected signs and are statistically significant for our variables of interest. The coefficients associated with GDP are positive and statistically significant, meaning that a larger economic space offers greater trade potential between the two countries. It also indicates that trade increases when GDP increases. Also, the coefficients associated with market size (LPOP) are positive and significant, meaning that as market size increases, so does the volume of trade between trading partners. The transport infrastructure of the importing country has a positive and significant influence on trade within ECOWAS. An increase of one unit of investment in improving the quality of infrastructure leads to an increase in trade by 2.47 points. Good road accessibility reduces restrictions on market access, reduces opportunity costs and increases the likelihood of participating in capturing the benefits of trade. This also confirms the importance of air transport as a channel for transporting goods and services between the two countries.

The electricity and telephone sectors also have an impact on the volume of trade between countries. The results of the estimates show that the higher the index of the quality of electricity and telephone infrastructure, the greater the volume of trade in the exporting country. Overall, we can retain those investments in trade-related infrastructure by taking the aggregate index (Overall) positively impact trade in ECOWAS countries. A 1% increase in infrastructure investment expenditure in ECOWAS could lead to a 10% increase in trade, all other things being equal. The results confirm the existing theoretical literature on the subject and call for an improvement in the quality of trade infrastructure in the ECOWAS region.

Table 2: Econometric results

| xij          | Coef.     | Std. Err. | z     | P>z   | [95% Conf. | Interval] |
|--------------|-----------|-----------|-------|-------|------------|-----------|
| comlang      | .1855134  | .3331403  | 0.56  | 0.578 | -.4674297  | .8384565  |
| comcol       | -.5959008 | .3972069  | -1.50 | 0.134 | -1.374412  | .1826105  |
| fta          | 1.341477  | .2784904  | 4.82  | 0.000 | .7956455   | 1.887308  |
| ldist        | .1157323  | .0524998  | 2.20  | 0.027 | .0128346   | .2186301  |
| lgdpi        | .3484859  | .4212169  | 0.83  | 0.408 | -.4770839  | 1.174056  |
| lgdpj        | .5182304  | .147827   | 3.51  | 0.000 | .2284947   | .807966   |
| lpopi        | .6755889  | .1066602  | 6.33  | 0.000 | .4665388   | .884639   |
| lpopj        | .1215178  | .0842222  | 1.44  | 0.149 | -.0435547  | .2865902  |
| trans_infr_i | -1.229891 | .8178518  | -1.50 | 0.133 | -2.832851  | .3730695  |
| trans_infr_j | 2.471497  | .4712469  | 5.24  | 0.000 | 1.54787    | 3.395124  |
| elec_i       | .0083142  | .310327   | 0.03  | 0.979 | -.5999156  | .616544   |
| elec_j       | -.5830596 | .1775828  | -3.28 | 0.001 | -.9311154  | -.2350038 |
| overall_i    | .1086288  | .5749745  | 0.19  | 0.850 | -1.018301  | 1.235558  |
| overall_j    | -1.033209 | .4272347  | -2.42 | 0.016 | -1.870573  | -.195844  |
| _cons        | -10.51374 | 3.624312  | -2.90 | 0.004 | -17.61726  | -3.410222 |

Source: Author



## CONCLUSION AND RECOMMENDATIONS

For more than a decade, issues related to the quality of transport infrastructure have begun to receive more attention from international trade actors. Indeed, infrastructure represents an increasingly crucial part of international trade and investment, as developing countries will have difficulty integrating into the global economy and exporting products at comparable prices in the absence of adequate and sound infrastructure. Increased trade, especially exports, is expected to increase foreign exchange earnings, create more employment opportunities and expand international markets.

This study analysed the role of infrastructure on trade in ECOWAS using the gravity model. The model is regressed by including infrastructure variables, which are classified as physical infrastructure. The result showed that all infrastructure variables had a positive impact on the volume of exports in ECOWAS.

The results agree with previous studies and most of the documents reviewed. The results of all the regressions carried out within the framework of this analysis show that an improvement in infrastructure can enable West African trade to achieve the objectives set out in the ECOWAS vision and the African Union's Agenda 2063 as well as the Agreement on the African Continental Free Trade Area. Future studies could pay more attention to improving the trade infrastructure quality index by including aspects of non-physical infrastructure, as it could increase the volume of exports and subsequently assist political and economic decision-makers in formulating development programmes and plans to boost trade in ECOWAS.



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## EDUCATION AND PEACEFUL COEXISTENCE AMONG URBAN REFUGEE CHILDREN

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### ABSTRACT

Education is a salient aspect of the peaceful coexistence of any society that cannot be ignored. This paper examines the role of education in aiding the peaceful coexistence of urban refugees in Uganda. Uganda continues to host refugees fleeing conflict, war and instability from countries in the Great Lakes region and the Horn of Africa. Refugees are given basic assistance in rural settlements. Urban refugees who choose to live in the urban areas amongst the host community do not receive basic assistance except a few on the urban caseload (with security and health problems).

The information is drawn from qualitative research data on urban refugees and related literature. Urban refugees face multiple challenges, for instance, inadequate education, health care and language barrier among others. Refugees in Kampala despite the firsthand experience of violent conflict have found ways to peacefully coexist with surrounding communities. Focus is on urban refugee children of Congolese origin who constitute the largest number of refugee living in Kampala. Education has facilitated peaceful coexistence through completing the socialization process, imparting values, attitudes and transforming the behaviour of urban refugee children.

Peaceful coexistence happens when people who are distinct from each other in terms of language, ethnicity and culture find ways to accept their differences, live together while resolving conflict non-violently. Education and peaceful coexistence are good factors worth considering when working towards the Sustainable Development Goals.

**Keywords:** *Education, Peaceful coexistence, Refugees*

### INTRODUCTION

This study examines the role of education as an instrument of peaceful coexistence among urban refugees living in Kampala, the capital of Uganda. The role of education looks at formal education in mainstream schools, provided by refugee NGOs to help the refugees fit in their new environment and formal education provided by the urban refugees for their children who do not have the opportunity to attend school. It further addresses the ways education promote peaceful coexistence.

This study focused on urban refugees because unlike other refugees who live in rural settlements and receive basic assistance on arrival, Urban refugees don't receive basic assistance except for refugees on the urban caseload (faced with security and health problems). Refugees living in urban areas like Kampala have to fend for their families and become self-reliant. Urban refugees do face challenges. For example, inadequate access to education and health care, language barrier, shelter, clothing and food are the major challenges. This study is particularly relevant because it covers education initiatives developed by the urban refugees despite their challenges and the present enormous refugee flows from South Sudan and the Democratic Republic of Congo (DRC). Urban refugees from DRC are the focus of this study.

According to UNHCR 2017 report, Uganda hosts an estimated 1.3 million refugees. It has the largest number of refugees in Africa and is among the top five in the world. Armed conflict and political turmoil are responsible for the millions of refugees, asylum seekers, internally displaced persons, across the world. By the end of 2017, 240,000 Congolese refugees found themselves under the protection of the United Nations High Commission for Refugees (UNHCR) in Uganda. Nearly 55 per cent of the Congolese refugees are



under 18, many crossing borders unaccompanied or separated and of which only 46% have access to education. Many refugees live in rural settlements while those who choose to live in urban areas like Kampala can access government services with the rest of the host community. Uganda has traditionally been attractive for refugees fleeing instability across the Great Lakes region and the Horn of Africa region because of its liberal immigration policy.

The refugee population in Kampala consists of Rwandans and Congolese from earlier decades. The urban refugee population is classified into refugees on the urban caseload (with security and health problems), asylum seekers, refugees in transit, refugees seeking resettlement in a third country and unregistered self-settled refugees (Macchiavello, 2003:3).

## **BACKGROUND**

Urban refugee children are vulnerable both as children and refugees and face several challenges that affect their education. Many refugee children in Kampala are not able to access education in urban areas despite the universal primary education programme that subsidizes the cost of education. As earlier stated, refugee assistance is given to refugees in rural settlements and urban refugees are expected to be self-reliant. Urban refugees still struggle to make ends meet and their children face inadequate education because they cannot afford the scholastic materials required at school among others (Dryden-Peterson, 2003:20). Urban refugee children from Francophone countries face a language barrier in Kampala where English is the language of instruction in schools. Furthermore, urban refugee children suffer psychological trauma as a result of the refugee experience which hinders their initial settlement in school. For instance, a refugee counsellor narrated how a refugee boy of Congolese origin is withdrawn and quiet and when questioned breaks down in tears. A teacher in school that has a substantial number of refugee children described them as hostile, tending to fight all the time. These psychological problems among urban refugee children once addressed through therapy coupled with education facilitate peaceful coexistence within the host community.

Education is defined as those experiences that train, discipline and shape the mental and physical potentials on the maturing person. (Ferrante 2003:448). Education serves as a means to empower children and adults through knowledge and skills to become active participants in the transformation of their societies. This learning places emphasis on the values, attitudes and behaviours which enable individuals peacefully coexist in diverse societies. Education takes place in different settings. For example, informal education occurs spontaneously and is unplanned while a formal education is planned and intended to impart skills and a way of thinking.

This paper is concerned with formal education-schooling that occurs in mainstream schools, refugee NGOs and refugee initiated programs for their children and its function in the peaceful coexistence of urban refugee children within host communities (Uganda). Peaceful coexistence occurs when people of different backgrounds, ethnicities, races and languages accept their differences and choose to resolve conflict non-violently. Urban refugees encounter cultures different from their own within the Kampala. As a result of the interactions and engagement, misunderstandings and tension is bound to erupt inadvertently. However, the benefit of education through behaviour change facilitates the peaceful coexistence of urban refugee children. The role of education is drawn from the values, behaviour and attitudes instilled in the urban refugee children through the acquisition of knowledge and skills.

The functionalist theory of education asserts that education functions to serve the needs of society. Peaceful coexistence is pivotal in the continuity and development of any society and will vary from one society to another. To be specific, formal establishments like schools exist to teach refugee children the skills they need to adapt to their environment. Alternatively, education serves a liberating experience that releases refugee children from the blinders imposed by the accident of birth into a particular country, culture and family (Ferrante, 2003:448). Education plays a great role in the peaceful coexistence of urban refugees in Uganda in many ways.



## THE ROLE OF EDUCATION IN PEACEFUL COEXISTENCE

Socialization starts at birth and continues into adulthood. Education has helped complete the socialization process among urban refugee children. According to Ferrante, Socialization is a process through which individuals develop their human capacities and acquire a unique personality and character by which culture is passed from one generation to another (Ferrante, 2003:106). The family cannot take on this role solely without the help of education and other institutions in binding and transferring the norms, values, beliefs and language needed to peacefully coexist in the larger community.

Urban refugee children live in diverse environments characterized by socio-economic inequality which hinder effective peaceful coexistence. Education plays a significant role in ensuring equality of opportunities for members of society across the divide including people of concern. Education promotes gender quality through diffusing prejudices and ideas that the refugee children have picked up in their families and communities back in the country of origin or within host communities. Refugee children who attend school have the opportunity of receiving an education together with members of the host community. The Convention against Discrimination in Education affirms this issue.

Education promoted coexistence among urban refugee children through communicating values that unite different sections of the communities. The family as a basic unit of any society may not impart all the values in the refugee child but education as an institution incorporates all the values of the wider society thus promoting peaceful coexistence. Values include obedience, fair play, cooperation, acceptance and tolerance. Education has prepared refugee children for future employment by giving them skills that will enable them to earn a living as any ordinary member of society. Education has empowered urban refugee children with skills and knowledge that helped them to be useful in society. For one to peacefully coexist, they need to make a living to be in a position that meets their basic needs through the God-given talents and skills attained through education.

Education has promoted self-empowerment among urban refugee children amidst the challenges and given them a positive outlook towards life. The Speak your Rights Curriculum at the Refugee Law Project, for instance, has given refugee children knowledge and awareness of the rules and regulations within the host community and their inherent human rights as human beings; a right direction towards peaceful coexistence. It's through education that urban refugee children can obtain human rights awareness and training.

Education provides language training opportunities for urban refugee children from francophone countries, for instance, the DRC (Democratic Republic of Congo), to learn the languages spoken in the host community. Language is a vital aspect of communication because, when individuals listen and understand each other, then it's easier for meaningful interactions to occur and possibly resolution of conflict. Knowledge of a language aids the accessibility of education, health care, employment, later integration and the absence of a shared language with the host community puts one at a minimal disadvantage in everyday life. The Refugee Law Project, a local refugee NGO, through the English literacy class provided language classes for urban refugees. Literacy allows the participation of urban refugees in the activities of the host community. Urban refugee children do acquire language training through school attendance and the curriculum of the school. Education has built resilience by providing a sense of stability among urban refugee children. Resilience is the ability to bounce back or recover after some negative event. Urban refugees have started schools to help their children who cannot afford school fees in governments schools cope with the challenges. Young African Refugees for Integral Development started such a school that provides peace education and learning for urban refugee children whose formal education has been jeopardized by the overwhelming adversities of conflict and war they have faced. Education achieves resilience in refugee children through building self-esteem and confidence inadvertently helping them over the effects of the adversities they have faced (Hart et al, 2007:84).

Education processes provided the best avenue for instilling values attributed to a culture of peace among refugee children thus peaceful coexistence. The 1990 world declaration on Education for all (Jomtien Declaration) states;



Basic Learning needs comprises not only essential tools such as literacy and numeracy but also knowledge, skills, attitudes and values required to live and work in dignity and to participate in development. It further states that the satisfaction of those needs implies a responsibility to promote social justice, acceptance of differences and peace. (World Declaration on Education for All, 1990 Article 1(1)).

Education activities like sports and physical education require refugee children to play and cooperate with children from different nationalities whilst encouraging positive attitudes. These education activities impart attitudes like showing respect for your opponent, recognizing perceived justice and values opposed to your own, believing in forgiveness and tolerance of those different from you (Chopra, 2005:191). Sports is indeed one way to reach refugee children who face educational challenges by offering them a sense of belonging and friendship (UNICEF200 4:1). Friendships and other relationships are easily made over a game of football and team building promoted through sports.

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# EDUCATION TOWARDS ATTAINING SUSTAINABLE DEVELOPMENT IN DEVELOPING NATIONS: NIGERIA AS A CASE STUDY

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## ABSTRACT

This Research Paper is a contribution towards highlighting the underdevelopment challenges in Nigeria by applying Education as a tool. In the present decades, there has been a Paradigm Shift in emphasizing on Sustainable Development and the way it been practised. All over the country, there is evidence of a failed leadership attributed by a dwindling economic, educational, political and social fortune. All these challenges are due to the incapability of the leadership to effectively plan for development and apply the necessary educational tools that can produce great leaders that can control the helms of Government and the private sectoral industries. The paper suggests, among other things, that there must be a re-orientation of the present education at every level to entail skills, principles and the perceptive of sustainable development. Non-formal, formal, informal and casual education for skills, attitude and knowledge for human development and poverty alleviation must be encouraged

**Keywords:** *Sustainable Development, Education, Nigeria, Developing Nations*

## INTRODUCTION

This research paper is a contribution towards highlighting the obstacles of underdevelopment in Nigeria by applying education as a tool. Precisely, the research paper applies exposition as a technique of emphasizing how education can be harnessed in other to ensure sustainable development. First, a clarification is made between Non-Formal, Informal, Casual and Formal Education where the attributes of each form of education are emphasized. Secondly, the issues of development and sustainability are explained and a connection between the two terms is established. Thirdly, the sub-theme "Education towards Sustainable Development" is explained where it is established that the country including other developing nations requires an Education towards Sustainable Development (ESD) to develop. In the end, it is finalized that a great optimistic correlation occurs between Sustainable Development and Education. As a consequence, the encouragement of Non-Formal, Casual, Formal and Informal Education for attitudes, knowledge and skills for human development and poverty alleviation among other things are suggested.

## ATTEMPTS AT THE DEFINITIONS OF CONCEPTS

**Education:** The most enduring and synoptic definition of Education is that which views education as the acquisition of skills, knowledge, experiences and attitudes. From this explanation, three strands of education occurred, one of such that views education as well all encounter acquired in the stages of living. This is the famous definition of education that is so vague. It is thus categorized into four

**Formal Education:** This is a form of Education that is rigid, highly organized and applies age including other criteria for the admission into the system. It is systematic but it does not give room to the individual capability to learn. It is up to Government and its accredited agencies to know what is adequate for learning

**Non Formal Education:** It is relatively coordinated learning. First, it must be in-pupillary, that is, it needs to be done outside the formal school and it is majorly a part-time basis since it is usually for staff or those already contributing their part to National Development and it is mostly on voluntary criteria. It is also an educational activity as a result of the presence of the learners, facilitators/teachers, method and content.

**Informal Education:** Here, there is a technique, purpose and intention as the traditional setting where women learn things and dress regarding their customs. Informal Education is not that organized since



individuals do not tutor on how to do it but you are aware of what to do since learning entails observation and correlation

**Casual Education:** Learning in this scenario is picked up unintentionally since learning is not intended. It is also in-determinant, it has no method and content but there is usually learner and teacher.

Education plays a significant role in the capability of a developing nation to absorb new technology and to ensure the capacity for self-sustaining development and growth (Smith and Todaro, 2009). In other words, education possesses the major key that opens a Nation capability towards Sustainable National Development and National Transformation (Ilechukwu et al, 2014).

## **DEVELOPMENT**

Development entails the growth and change in an individual's life pattern. It is also an increase or a change in the structural facilities of a community, individual or society (Itari, 1995). But to few scholars, development entails the power of individuals to tackle their problems with their personal knowledge, experiences, wisdom and resources with the perspective to eliminating starvation, pestilence and poverty. Policy measures aimed against man and his development are usually seen as development initiatives (Onunwa, 2007)

Development entails the ability of a society to attain a sustained and rapid increase in productivity of all profitable economic ventures. It was applied to entail the capacity of a national economy to sustain and generate a yearly rise in its Gross National Production (GNP). Emphasis was majorly on how a Society can maximize productivity in its tangible means. As discovered by Onunwa (2007), no similar attention was provided on how justice is to be attained in the allocation of what has been produced.

## **SUSTAINABILITY**

It is the ability to maintain, sustain, and provide for or nourish something for an unlimited period without depleting or damaging it. In the present decades, the comprehension of the sustainability concept has been strongly created by numerous researchers and scholars. The idea of sustainability can be comprehended in different meanings and it is evaluated in numerous contexts as a technical word that is applied in forestry or an ecological word and its modern definition which entails to the development of the human societies and humanity (Di Giulio, 2006)

As a consequence, the present United Nations (UN) documents have indicated a paradigm shift from "Economic Growth" to the "Human Development" determined by adult literacy, life expectancy, individual's average income and access to every level of education which is an important condition of their liberty of preference (Soubbotina et al, 2014)

This idea of development was to incorporate every aspect of the welfare of individuals from economic to their health status and political freedom. Regarding the Human Development report published in 1996 by the United Nations (UN) Development Programme (UNDP), "Human Development entails the end, economic growth is a means"

Also, it is factual that economic growth by maximizing a country's aggregate wealth also accepts its capabilities for solving and minimizing other social challenges. But history provides many instances where economic growth was not abided by similar progress in Human Development, rather, Growth was attained at the cost of higher unemployment, greater inequality, loss of cultural identity, weakened democracy or over the consumption of Natural resources required by the future generation (Soubbotina, 2004). As the connections between environmental and social issues and economic growth are properly comprehended, professionals tend to concur that this type of growth is inevitably not sustainable and that it cannot continue along the same path for long (Soubbotina, 2004)

The idea of development is properly captured by Ilechukwu, et al, 2014 when they discovered that "in current time, there needs to be a paradigm shift in defining development as well as the way it is being practised. This paradigm shift led to the adoption of Sustainable Development (SD)



### **Sustainable Development:**

Paradigm shift has led to the adoption of Sustainable Development (SD) as it is a concept that was outlined in the Brunt land Report and that of the Stockholm Conference of 1972 (UNECA, 2012) According to Hopwood et al, (2005), this shift as quoted by Osei – Kojo and Ahenkan (2014) was conceived out of the worldwide connection between Socio-economic concern and environmental challenges and also the earlier approaches and conception of development seemed to majorly focus on the physical and economic wealth regardless of the complex nature and the multidimensional nature of development (Bellu, 2011):

The Brunt land Report emphasized Sustainable Development as the 'Development' that attains the demands of the current without altering the capacity of the future generation to attain their personal demands". The Organization for Economic Cooperation and Development (OECD, 2011) as emphasized by Osei Kojo and Ahenkan (2014) also explains Sustainable Development as a development path along which the increase of human welfare for present's day generation does not result to the decrease in the welfare of the future generation. This definition emphasized that Sustainable Development considers the demands of the current and the future generations in tandem and it is in-depth in the attainment of the welfare and the wellbeing of the citizens (Osei & Ahenkan, 2014)

Thus, Sustainable Development is concerned with the sustenance and the creation of the conditions of the future and the present generations of humans to inhabit properly on this planet. Therefore, as discovered by Falkenberg & Sims (2013) right from the starting of a multi-prong technique to the notion of Sustainable Society was taken that moved beyond concerns for solely the destruction of the National environment to entail the concern for attaining the fundamental demands of all individuals and those demands are met sustainably in considerations of the wants of the future generation.

Numerous advocates of sustainable development, intrinsically valuing human life and nature have also become an essential aspect of development (Bakar, 2005). And in regards to the United Nations (UN) World Commission on Environment and Development in 1987 as emphasized by Ilechukwu et al (2014), Development is sustainable if "it attains the demands of the present without comprising and altering the capability of the future generation to attain their personal demands. Sustainable Development can actually be otherwise referred to as a "balanced and an equitable" development (Soubotina, 2004)

Although, the functionality of the principle of sustenance had over the decades becomes so challenging particularly in Nigeria and other Developing Nations. In an attempt to attain Sustainable Development, African Nations have initiated numerous strategies. For instance, in Nigeria, there has been rampant poverty reduction initiatives by the governments at various times and at every level, all directed towards human development, economic growth, conservation and economic safeguard. Just as in Nigeria, there have been a maximized number of Sustainable Development strategies being executed across some of the African Nations. These initiatives transpired in the transformation of the Organization of the African Unity (OAU) to the African Union (AU) in 2001, the establishment of Regional Economic Councils (RECs) in the sub-region including the establishment of the New Partnership for African Development (NEPAD) (UNECA, 2012 Osie –Kojo & Ahenkan, 2014)

Regardless of these attempts by the African Government, there is a rising motion that Africa could crumble in attaining Sustainable Development. As discovered by (Osie-Kojo & Ahenkan, 2014), this notion is triggered by the proof that the globe is undergoing a rapid transformation.

### **EDUCATION TOWARDS SUSTAINABLE DEVELOPMENT**

Political Philosophers since Aristotle and Plato have affirmed the dictums emphasized in the phrases "What you intend to taste, you must put into school", "As in State, so it is in the School" (Akinsanya, 2004). The Truism that Education is the best way of sustainably developing any society or individual requires no contention. Education as earlier emphasized is the process of acquiring and imparting values, knowledge,



experience, attributes and skills in the institutions of learning while living, at play or work. The so acquired skills are applied subsequently to sustain the future and the present generations in their daily life. It is adequate and better nurturing, application and the transmission of such knowledge and skills that guarantees the sustenance and the development of the society (Abiodun, 2002)

In December 2011, the United Nations (UN) General Assembly ensured a resolution 57/254 to put in place a United Nations (UN) Decade of Education for Sustainable Development, spanning the decades 2005 to 2014 with the United Nations Educational Scientific and Cultural Organization (UNESCO) as the leading agency for the year (Ilechukwu et al, 2014)

The General Objective of the Decade for Sustainable Development as emphasized by Ilechukwu et al (2014) entails the integration of values, principles and the practices towards Sustainable Development into every aspect of learning and education –informal, social, informal and non-informal. The year's four major objectives with regards to the authors are:

- 1 Provide Nations with modern tools and opportunities to incorporate Educations towards Sustainable Development (ESD) in Education reforms motives
- 1 Promoting a greater quality of learning and teaching in Education towards Sustainable Development (ESD)
- 1 Assisting nations in attaining their Sustainable Development Goals (ESD) through Education towards Sustainable Development (ESD)
- 1 Collaborating among Stakeholders and Facilitating Network in Education towards Sustainable Development (ESD)

The political development launched at the Worldwide Summit on Sustainable Development (WSSD) (2002) as emphasized by Ilechukwu et al (2014) emphasizes that Sustainable Development is established on three “mutually reinforcing and independent pillars” of human/social development, economic growth including environmental sustainability and protection.

Chapter 36 of the Agenda 21, known as the 1992 Earth Summit at Rio, discovers four major thrusts of Education towards Sustainable Development (ESD) (Ilechukwu et al, 2014). They entail:

- 1 Training
- 1 Enhancement and promotion of Basic Education
- 1 Develop Public awareness and Comprehension of Sustainability
- 1 Reorienting of the Present Education at all levels to emphasize on Sustainable Development

The importance of basic education is to improve and transform the conditions of both community towards Sustainable Development and the Community as well (Associations of African Universities, 2009)

- 1 The Reorientation of the Present Education at every stage entails the educational reforms of skills, principles, including values, which are quantitative, qualitative, relevant and appropriate to the school and socio-cultural curricula (Ilechukwu et al, 2014). To carry this out, there are three aspects of educational processes that are necessary to these reforms.

In-Public awareness and the understanding of Sustainability, Education towards Sustainable Development (ESD) entails a population that is conscious of the Sustainable Society goals (Ilechukwu et al, 2014).

The Fourth Principle which is Training presupposes that the environment requires an environmental and a friendly conscious workforce and citizens to assist in guiding the countries in the execution of the Sustainable Development Goals. All the sections of the Society (both in the informal and formal sectors) are motivated to train their workers and leaders in environmental management. Training is different from Education as it is usually precise to a specific job or the classes of jobs (Ilechukwu et al, 2014)



**Thus, the role of Sustainable Education on Development can be summarized as follows:**

- 1 Educational Institution plays a significant role in creating modern paradigms and building more sustainable societies as they have the mission to encourage development through both research and teaching. Teacher Education can be viewed as an agent of change or an essential factor in encouraging the economic, social and environmental values towards Sustainable Development in the Nation (Johnson, 2007)
- 1 To Improve learning regarding Sustainable Development; various Teaching Methodologies need to be adopted in all areas of educational strata. The methods that will assist in the dissemination of information easily and quickly to learners needs to be applied and must be amalgamated with other methods towards effectiveness. This will ensure learner's involvement, critical thinking and communication skills in regards to issues on Sustainable Development
- 1 Also; Education must provide learners with the perspectives, skills, knowledge and values to sustainably live in their communities. Education brings about leaders of the nation who conduct the helms of Government including the private sector industries that comprise the Sustainable Development stakeholders. The educational system brings about a “vanguard group of leaders in every sector of the society that will take the leading and primary responsibilities in ensuring the values for Sustainable Development (Bedawy, 2014)
- 1 Education towards Sustainable Development (ESD) functions to train, educate and carry out research in "contributing towards Sustainable Development of the Nation. For instance, the training of individuals in the monitoring and detection of targets of Sustainable concerns and the graduate with knowledge, skills and attitudes to make sustainability contribution (Bedawy, 2014, Pearson et al, 2005)
- 1 Education empowers individuals for their responsibilities in the Society. Thus, Non-Formal, Informal including Formal Education are the significant factors in Education towards Sustainable Development (ESD). Formal Education cannot solely execute Education towards Sustainable Development (ESD). Non Formal, Formal ad the Informal Education Sectors must work as one to attain the Education towards Sustainable Development (ESD) objectives (Ilechukwu et al, 2014). It is essential for adult and young individuals to be trained for Sustainable Development since they are the future generation. This will provide them with the privilege to start to value the globe's cultural diversity and appreciate the issues faced by the present globe and of the impact that they will have on these issues (Davidson, 2003).
- 1 Education towards Sustainable Development (ESD) entails learning how to ensure decisions that will be considered for the long term future of the Nation, equity and ecology of every community. UNESCO emphasizes that education has an important obligation to generate the knowledge required and also communicate this knowledge to the public and decision makers at large (UNESCO, 2001, 2003).
- 1 Education is referred to as an instrument for socio change that can transform society in tremendous manners. Education is so necessary when intending to ensure a change in values and attitudes towards sustainability. The report of the United Nations (UN) World Commission on Environment and Development (WCED) of (1987) identified that "Sustainable Development entails changes in the attitudes and values towards development and environment and that Education plays a major responsibility in attaining those changes in attitudes and values (Falkenberg & Sims).
- 1 Contemporary Sustainable Development Education is anticipated to be centered on the above issues and it needs to be oriented on the future development and ensuring a better quality of the future and the present life. Also, the issues and concepts of Sustainable Development must be informally and formally taught so much such that they form part of the major aspects of the lives of the people and that the people develop the necessary skills for Sustainable Development.
- 1 Education towards Sustainable Development rises from different sources and it is delivered through formal, non-formal, informal and casual strategies. The topics of Sustainable Development majorly emphasized here entail but not restricted to, human rights, conflict resolution, gender equity, ethics, peace, poverty alleviation, citizenship, human security, democracy, health, energy, governance, water, urban and rural development, corporate and socio responsibility, environmental and social effects of Globalization, consumption and production patterns, biological diversity, cultural diversity, ecosystems, ecological principles, management, natural resources and the prevention of disaster (Bedawy, 2014)



## SUMMARY AND CONCLUSION

This Paper glanced at Education towards Sustainable Development (ESD) in Nigeria including other Developing Nations. Therefore, this paper can be summarized as follows:

- 1 Development cannot be divorced from the educational structures and institutions that have set in place.
- 1 Informal, Formal, Non-Formal and Casual Education Sectors are all provided in the Education towards Sustainable Development (ESD). A Sector cannot execute Education towards Sustainable Development (ESD) alone.
- 1 Development Paradigm has migrated from economic growth to human development and presently, sustainable development.
- 1 A Maximum Positive Correlation thrives between Sustainable Development and Education.
- 1 The Educational System of Nigeria has numerous outlets that entail informal, formal, Non-Formal and Casual Education.
- 1 Education is the primary objectives of Sustainable Development and an essential end itself. Education remains the appropriate ways towards Sustainable Development in any Nation.

Conclusively; Education towards Sustainable Development is the process of attaining Sustainable Development be it human development, economic growth, environmental conservation and protection.

Also, the Paper recommended that:

- 1 The Promotion of Non-Formal, Formal, Informal and Casual Education for knowledge, skills and attitudes for human development and poverty alleviation by optimal investment in quality and basic education in line with UNESCO's minimum standard of 26% yearly budgetary allocation.
- 1 The Professional and Educational Development of those that are in charge of executing Sustainable Development.
- 1 Contemporary Sustainable Development Education must concentrate on different issues such as conflict resolution, human rights, gender, ethics, poverty alleviation including environmental sustainability to mention but a few.
- 1 People – Community members, students, practitioners and professionals must be motivated to develop the necessary skills towards Sustainable Development.
- 1 Sustainable Development Concepts/issues must be informally and formally taught in schools in a way that they will become basic to the lives of individuals.
- 1 The Orientation n of the present education at every level to entail skills, principles, values and the perspectives of Sustainable Development

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# A REGIONAL COMPARATIVE ANALYSIS ON THE ROLE OF ELECTORAL POLITICS IN THE DECLINE OF AFRICA'S PUBLIC SECTOR.

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## ABSTRACT:

The early post-independence periods saw Africa have efficient Public Sector Institutions. Over a decade, there seems to be a decadent in the public sector. The study examines the regional analysis of government effectiveness in Africa. The study uses data given by the World Bank's Governance Indicator from 55 African countries from 2002 to 2018. The study uses Panel Regression Analysis Model of Random Effects and Pooled Ordinary Least Squares to assess government effectiveness in the five regions of Africa. The findings indicate that Southern African countries performed best as compared to its counterpart regions, followed by North Africa. However, East, West and Central African countries had low scores on government effectiveness. The results imply that electoral politics and political interference hurt the performances of public institutions on the continent.

**Keywords:** *Electoral Politics, Public Sector, Government Effectiveness, Southern Africa, North Africa, East Africa, West Africa, Central Africa*

## INTRODUCTION

The early post-independence period saw Africa have efficient Public Sector Institutions (Gyimah-Boadi & Mensah, 2003). In recent times, there seem to be a decadent in the sector due to the kind of political system run in most countries on the continent. The World Bank (2019) contends that government effectiveness captures perceptions of the quality of public service, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation and the credibility of the government's commitment to such policies. The quest for measuring the performances or effectiveness of government by researchers and policy analysts in public management, public administration and public policy increased with universally adopted reforms in the last quarter-century (Ingraham & Moynihan, 2000). These reforms centred on bettering government effectiveness and enhancing public institutions (Whitford & Lee, 2012). In light of this, recent studies focus on government performances or effectiveness. In most developing countries, especially countries on the African continents, the sentiments of political parties under the whims and caprices politicians control public institutions. Appiah and Abdulai (2017) describe the political system run in various developing countries as "political clientelism". Political 'clientelism' is where political parties that are privy to the term of office they have would manage the public institutions and resources abysmally. The Human Development Report, 1997 asserts that efforts have been instituted by post-independence governments to ensure that the imbalances and inefficiencies in the Public Sector breached is amended (Kwasi-Ofosu, 2012).

Stevens and Teggemann (2004) argue that the first wave of reforms in the Public Sector came immediately after the independence of many African countries. The indigenes replaced colonial masters who headed these public institutions. Besides, the colonial masters trained the earliest staff who replaced them. Also, vacant public service positions were merit-based and not on political appointments. It suggested that payment of salaries was on technical skills. Public institutions eliminated the class structures to ensure sanity in the system. It invigorated the moral standards in the public sector and serving in public offices also became a privilege to those who were appointed to such portfolios to serve with alacrity and integrity. However, the

function and efficacy of the Public Sector have become very weak and prone to political aversion.

Gyimah-Boadi and Daddieh, (1999); Gyimah-Boadi and Mensah, (2003) contend that the position that has led to the dwindling performance of Public Sector capacity is due to central government sole distribution of resources, the appointment of high public positions by a sole state actor and centralization of political power in many African countries. Appiah and Abdulai (2017) attributed this poor performance to lack of political parties' willingness to continue reforms when there is a change in government. Despite the many strands of literature on government effectiveness, analysis based on regions on the continent on government effectiveness and the role of electoral politics on public services is little. Therefore, this paper tends to fill the gap. The paper also tends to ascertain which region's governments have been more effective in terms of independence of their public and civil service from political pressures, interference and electoral politics. The study organizes the paper as follows: the next section presents the literature review and methodology. The following section presents the results and discussion of findings, conclusions and recommendations.

## **LITERATURE REVIEW**

### **Role of Electoral Politics in Africa**

The Organization for Economic Co-operation and Development (OECD) define public sector as general government and public corporations, including the central bank (OECD, 2004). The United Nations also defines it as general government, public corporations and not-for-profit institutions owned by the state (Apreda, 2003). Moreover, the International Federation of Accountants defines the public sector as national governments, regional governments, local governments and related governmental entities (Pina & Torres, 2003). Further, the International Monetary Fund (IMF) defines Public Sector as general government (central government, state/ provincial/ regional governments and local government) and Public Corporations (Financial corporations and non-financial corporations) (Audet, 2003).

Electoral politics in Africa inclined to partisan politics has its roots after independence (Asante & Gyimah-Boadi, 2004) which is one of the causative factors to government effectiveness on the continent. While some public institutions are making giant strides in government effectiveness, others still wallow in weak government effectiveness on the continent. For instance, World Bank (2019) asserts that countries like Botswana, Cape Verde, Mauritius Tunisia, South Africa and Namibia have somewhat strong government effectiveness as compared to the rest of the countries on the continent. However, in countries like Ghana, Nigeria, Republic of Congo, Togo, government effectiveness tend to be weakly attributed to the politicization of public institutions (Saul, 2001).

Solingen (2012) argues that the ushering in of electoral politics in advanced countries has helped introduce social-political union, ideological solidarity, and national advancement at a deliberate pace proportionate with bureaucracy. However, electoral politics in developing countries centres on ethnocentric, and appointment of positions into public institutions have become partisan and ethnical, making the institutions ineffective. Harvey (2007) connotes that the advantages from the activity of this order for the most part or somewhat disproportionately, accrue to the ruling party, funders of political parties and grassroots supporters. Hence their bid to make sure their political parties stay in power and as well maintain their positions in the Public Sectors to mismanage the public sector and continue in its inefficiency unabatedly.

Government effectiveness captures the degree of independence of public and civil service from political pressures (Sacks & Levi, 2010). Less government effectiveness portrays a public service dominated by political pressures which have led to the poor performances in the Public Sector (Frempong and Aryee, 2001) and the decline of government effectiveness. For instance, Ghana's multiparty system has relentlessly collapsed the participatory approach in the public sector (Harnack et al., 2000). Newly elected governments discontinue projects of previous governments. Besides, appointments are on party faithful committed to implementing the agenda of the party disregarding individuals' competencies and special abilities.



Moreover, political parties' concentration on the next elections and how to manoeuvre its way to win the next elections has also become a contributor to public sector performances. The study argues that countries with high levels of political interference and electoral politics have weak government effectiveness. Specifically, the paper contends that the low performances in public institutions are due to the funding of political parties (Austin and Tjernstrom, 2003), spoil system of governments (Wantu, 2017), corruption (Montinola and Jackman, 2002; Montes and Paschaol, 2016) and centralization of political power (Hindriks & Lockwood, 2004).

## METHODOLOGY

### Sources of Data

The study uses datasets from 2002 to 2018 sourced from the World Bank's Governance Indicator, covering 55 African countries on government effectiveness (where -2.5 is weak, and 2.5 is strong). Additionally, this paper determines the average government effectiveness of individual countries over the 16 years. The study also shows the trends in government effectiveness across the five regions (Southern Africa, North Africa, East Africa, West Africa and Central Africa).

### Economic Model

The research uses Panel Regression Analysis Model of Random Effects and Ordinary Least Squares to assess government effectiveness in the five regions of Africa. The study aims to carry out a regional comparison of government effectiveness in terms of political interference and electoral politics on public services in Africa. Therefore, the model of the Panel Regression Model will be as follows:

$$G\_E_{it} = a_0 + B_1 R\_O_{it} + E_{it} \quad \text{Eqn.....1}$$

Where:

$G\_E$  = Government Effectiveness (Political Interference and Electoral Politics on Public Services)

$R\_O$  = Regional Output

$a_0$  = Constant

$B_1$  = Co-efficient

$u$  = Between entity error

$E$  = Within entity error

### Dependent Variable

The World Bank (2019) defines government effectiveness as perceptions of the quality of public service, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation and the credibility of the government's commitment to such policies. In effect, government effectiveness, as discussed in this study, is political interference and the role of electoral politics on the public services of Africa.

### Independent Variable

The independent variable is regional output where regional output means Southern Africa, North Africa, East Africa, West Africa and Central Africa. It is on this wise that the regional comparison will be on: to know which of the region's public sector is less of political influence, interference and electoral politics.

## RESULTS

The data discusses the government effectiveness using OLS and Random Regression and Trends of government effectiveness of the five regions in Africa (North Africa, Southern Africa, East Africa, West Africa and Central Africa) to ascertain the independence of public and civil service from political pressures, interferences and electoral politics.



### Time-invariant

Time-invariant variables like country code and region have positive between variation and zero within variation. However, G\_E has more between variations (0.58) than within variation (0.17). The average G\_E of individual countries ranged between -1.62 and 0.81 across countries but varied over the 16 years for each country over time.

Table 1: Time Invariant

| Variable | Variation | Mean     | St.      | Min      | Max      |
|----------|-----------|----------|----------|----------|----------|
| Code     | overall   | 26.5     | 15.01736 | 1        | 52       |
|          | between   |          | 15.15476 | 1        | 52       |
|          | within    |          | 0        | 26.5     | 26.5     |
| Year     | overall   | 2009.5   | 4.612545 | 2002     | 2017     |
|          | between   |          | 0        | 2009.5   | 2009.5   |
|          | within    |          | 4.612545 | 2002     | 2017     |
| G_E      | overall   | -0.71959 | 0.59514  | -1.89    | 1.05     |
|          | between   |          | 0.575452 | -1.61563 | 0.806875 |
|          | within    |          | 0.170366 | -1.40834 | 0.058534 |
| R_O      | overall   | 2.326923 | 1.205222 | 0        | 4        |
|          | between   |          | 1.216249 | 0        | 4        |
|          | within    |          | 0        | 2.326923 | 2.326923 |

G\_E is Government Effectiveness, R\_O is Region Output

### Trends Of Government Effectiveness Across Five African Regions

Figure 1 below shows the trends of G\_E across five African regions and overall. Over the 16 years, South Africans recorded the highest G\_E score, while the central Africans recorded the least G\_E over the years. G\_E for the East and West African countries were approximately stable over the years while North Africans recorded some drastic fall in G\_E scores from 2010 till 2017 it starts to rise.

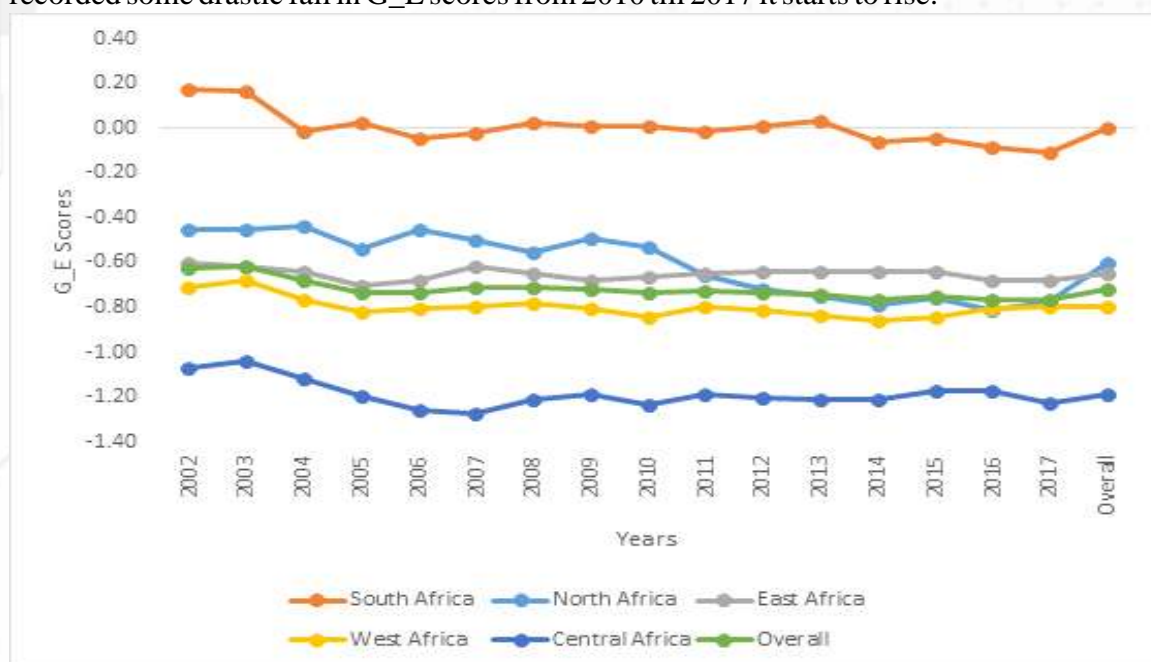


Fig 1: Trends in Government Effectiveness



### Random Effects And Ordinary Least Squares Regression

Results show that countries in the east, west and central Africa had lower G\_E scores compared to the North Africans. However, the South Africans recorded higher G\_E score than the North Africans in all estimators. While the regions were overall significantly, predictive of G\_E ( $p < 0.001$ ) worked is significant for some estimators and not for others. The Breusch and Pagan Lagrangian multiplier test for random effects were significant ( $P < 0.001$ ), indicating that random effect estimator is a better estimator than the OLS. 89% of the variation was explained by country-specific term while the rest was due to idiosyncratic error.

Table 2: *OLS and Random Effects Regression Analysis on Government Effectiveness*

|                | Pooled<br>OLS<br>regression | Between               | Random<br>effects     |
|----------------|-----------------------------|-----------------------|-----------------------|
| Region         |                             |                       |                       |
| North Africa   | ref                         | ref                   | ref                   |
| South Africa   | 0.61(0.46 , 0.76)***        | 0.61(-0.01 , 1.22)    | 0.61(0.01 , 1.21)*    |
| East Africa    | -0.05(-0.17 , 0.07)         | -0.05(-0.54 , 0.44)   | -0.05(-0.52 , 0.43)   |
| West Africa    | -0.19(-0.31 , -0.07)**      | -0.19(-0.68 , 0.29)   | -0.19(-0.67 , 0.28)   |
| Central Africa | -0.58(-0.72 , -0.45)***     | -0.58(-1.12 , -0.05)* | -0.58(-1.11 , -0.06)* |
| P-value        | <0.001                      | 0.0028                | 0.0008                |
| R-sq:          | 0.26                        |                       |                       |
| R2-within      |                             | 0.00                  | 0.00                  |
| R2-between     |                             | 0.29                  | 0.29                  |
| R2-overall     |                             | 0.26                  | 0.26                  |
| Theta          |                             |                       | 0.91                  |
| Sigma u        |                             |                       | 0.50                  |
| Sigma e        |                             |                       | 0.18                  |
| Rho            |                             |                       | 0.89                  |

### Discussion Of Findings

The results indicate that South African countries performed better than all the regions, followed by North African countries. East, West and Central African countries had lower scores on government effectiveness in that order. The findings suggest that there are less political interference and electoral politics in the public institutions of Southern African countries and North African countries than the rest of the regions. Reilley (2002) corroborates that electoral politics and political interference plays a vital role in public institutions. After elections, it becomes winner takes all, and the government appoints its followers and loyalist to occupy such portfolios to take decisions for public institutions thereby creating a massive dent in the performance of these public institutions (Philips, 2009). The reasons for the variations are funding of political parties (Farrel and Web, 2000; De Miguel, 2011; Gyampo, 2015), educational and training capacities (Mitlin, 2008; Levin, 2009), corruption (Mbako, 2000; Boaffo-Aurthur, 2008; Abdulai, 2009).

Gyampo (2015) inclines that democratization led to the emergence of various political parties across Africa. The formation of every political party in a country requires funds and public support to be successive in various elections. De Miguel (2011) adds that political parties are as the bosses of government since they perform development roles of government, preparing of leaders at the various levels of governance, and holding governments responsible when out of power. However, regions on the continent having a low score on government effectiveness advertently run parties as private organizations where individuals fund these political parties for them to fuel them into power as compared to regions with better scores on government effectiveness. Therefore, these parties who are explicitly sponsored by private financiers expect the party to appoint them into public positions. In most cases, some of these financiers are not competent enough to occupy these positions, thereby leading to inefficiencies.



Levin (2009) asserts that in public service, the academic experience is essential to holding a public office in most countries. A candidate with good academic background has the competencies and capabilities to hold public offices. Comparatively Southern African and North African countries base recruitments on merit as compared to the other regions. Employees in the regions with a low score on government effectiveness lack the rudimental training to work in public institutions (Miltin, 2008). Besides, these bureaucrats have low creative ability to innovate, leading to an inefficient performance in the various public sectors.

Mbaku (2000) argues that in some African countries, people hail corrupt public officials. A gradual paradigm shift to the support of corrupt officials and hailing them as unsung heroes and heroines are detrimental to the quality of public institutions. Boafo-Arthur (2008) further adds that ethnocentrism and electoral politics drives corruption. Most of the people in different political parties would support their own even if the act has a ramification on the economy of a country. Thus corruption has led to weak state capacity of the public sector in some public institutions in other regions (East, West and Central African countries) on the continent as compared to other regions (Southern and North African countries).

The dwindling performance of government effectiveness in the public sector is due to central government sole distribution of resources, the appointment of high public positions by a sole state actor and centralization of political power (Gyimah-Boadi & Daddieh, 1999; Gyimah-Boadi & Mensah, 2003).

## CONCLUSION AND POLICY RECOMMENDATION

Conclusively, the findings of the study reveal that political interference and electoral politics plays a significant role in the decline of the public sector in Africa. The decline is because of political parties privy to the term of office they have, manage the public institutions and resources abysmally. In addition to the above system, political interference contributes to the weak government effectiveness on the continent. Besides, the institutionalization of the multi-party system is a contributing factor to this menace which usually has its roots in political interference, lack of education and training, political parties funding and aftermath and corruption.

The results indicate that Southern African countries performed best as compared to its counterpart regions, followed by North Africa. However, East, West and Central African countries had low scores on government effectiveness. The results imply that electoral politics and political interference hurt the performances of public institutions on the continent.

In sum, countries must reconsider multi-party democratization as it breeds inefficiencies in public institutions. Africa needs a clear and straightjacket distinction between policymaking and policy implementation to ensure the smooth running of public offices. Thus in terms of appointments of public officials and as long as enacted laws do not strengthen the positions of public officials and bureaucrats, Africa will continue to have weak and ineffective governments. Further research should consider political finance and how funding political parties affect government effectiveness in Africa.

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## COMBATING THE EFFECTS OF WAR REMNANTS IN AFRICA: A CASE OF LANDMINES IN ZIMBABWE

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### ABSTRACT

The war remnants especially landmines from the Zimbabwe Liberation struggle that ended in 1980 is killing, maiming and haunting the people and animals. With these landmines, the security of the people is at risk in seven major areas: Mukumbura, Musengezi, Mazowe, Sheba forest, Rusitu, Sango and Lusuku. Zimbabwe is said to be heavily contaminated with landmines. Though the demining missions with five different organisations have kick-started their operations, minute progress has been made. Landmines are destroying the lives of people and animals creating societies unsafe for development. Zimbabwe needs to engage in accelerated demining actions. Furthermore, she needs to correct and align her policies to security and social welfare, strengthening the economy, establishing good governance and fostering warm relations with donor partners who and may potentially support the demining campaign. Demining is possible but needs well-polished strategies and resources with Mozambique providing a clear testament to demining successes.

**Keywords:** *War remnants, destruction, demining, landmines, Zimbabwe*

### INTRODUCTION

When wars end, injuries, deaths and destruction linger for decades in the form of unexploded ordinances. These unexplored devices supposedly to be used in war but could not and remain active to date are what are referred to as war remnants. However, due to recent more focus on nuclear weapons, terrorism, global warming, trade wars etc. the threat of war remnants is not receiving much attention but remain a reality. Globally, there are 100 million unexplored but live mines in 78 countries and 110 million landmines in the stockpile (Landmine Monitor, 2016).

This paper focused on landmines in Zimbabwe. A “Landmine” (2020) is a bomb placed on or under the ground which explodes when vehicles or people move over it. The United Nations Office for Disarmament Affairs (UNIDO) (n.d.) described a landmine as an explosive device concealed under or on the ground and is designed to destroy or disable the enemy targets, ranging from combatants, vehicles and tanks as they pass over or near it. A landmine causes damage by the direct blast effect or by fragments thrown by the blast effect or by the combination of both. Generally, landmines can be grouped into two broad categories: antipersonnel mines (those that can be triggered with small weight) and antitank mines (those that require more weight to trigger).

In not extreme cases of death, landmines are ascertained to be weapons that not ordinarily cause somatic but psychosomatic injuries and force a person to live in a state of unease and terror (Herby and Nuiten, 2001). Of the reported 78 countries with landmines, 22 are found in Africa where over 800 people die and 2500 are maimed every month (United Nations Development Programme (UNDP), 1994). The Landmine Monitoring Report (2016) revealed Egypt, Angola, Burundi, Somalia, Democratic Republic of Congo, Sudan, South Sudan, Zimbabwe and Senegal as some of the infested African countries. Mozambique was declared landmine free in 2015 but the additional field has been discovered although the density is not higher than before.

Landmines in Zimbabwe were used during the liberation war that ended in 1980. They were used to inhibit the movement of colonial soldiers into the country from their various training centres which were located outside Zimbabwe (Mozambique, Zambia, Botswana and South Africa). There are seven known landmine zones: Mukumbura, Musengezi, Mazowe, Sheba forest, Rusitu, Sango and Lusuku (Shoko, 2003). It has been noted Zimbabwe has 5,500 unexplored landmines per square kilometre making it one of the densest



minefield in the world (Halo Trust, 2013).

Rupiah (1999) unearthed Zimbabwe to have inherited over 1.5 million landmines and efforts to clear them started in 1980 but with little successes to date. Indeed it is worrisome. People are trying to celebrate the independence gained without being free from harmful weapons of war. These landmines are a painful reminder, an unwanted history still being scripted and some of its effects are highlighted below.

## THE EFFECTS OF LANDMINES IN ZIMBABWE

The effects of landmines transcend borders, though the paper has focused on Zimbabwe. Landmines are causing untold suffering in some parts of Zimbabwe and the situation demands urgent attention to protect people and the ecosystem. The dangers of landmines seem not to be painstakingly assessed and genuinely understood which could have assisted major stakeholders to find their priorities in clearing this social evil.

The most affected people are the working class and children (United Nations Children's Fund (UNICEF), 2012). If going by Mandizvidza (2017) (which greatly differs from the UNDP (2012) figures) where an estimated 2,000 people were reported to have died and an average of 3,000 people maimed from 1980 to 2017, such statistics are disturbing. Better approaches should be implemented to protect the people of Zimbabwe.

The major effects of landmines on people include deaths, maiming and trauma. In the event of maiming, there are permanent damages a person has to live with for example botches (wounds that cannot heal), broken body limbs, loss of eyesight, hearing or general loss of sanity. Such resultant conditions cut across and create social fault lines within families and expose the victims to an unimaginable hard life as no one may be there to support their lives.

Meanwhile, the Zimbabwean health system is down. Hospitals are closed and have no medicines; Doctors are on perennial strike that started early days of 2018 (Haq, 2019). On the other hand, Nurses also are following Doctors' demonstrations putting the whole health system in jeopardy (Gonye, 2019). Contemporarily, Zimbabwe is treading a dangerous phase where any fatalities have no hope for revival. All those involved in landmine accidents if not treated the traditional way will be inclining to the yonder world.

In addition to the hospitals that are malfunctioning and almost closed, deserted by the Physicians and not equipped and supplied with proper medication, the government is not doing enough to keep and update a database of the landmine victims to assist them. Most of the landmine infested areas are indeed at the peripheral borders but the long arm of the government should not be short in assisting the victims.

The researcher's testimony, born and bred in the landmine infested area near Rushinga Growth Point (Mt Darwin District, Zimbabwe) has an uncle maimed in 1998 with the landmine at the age of 40 (encouragingly he is still alive but without the left leg and right palm). Another incident was of the maimed uncle's sister (to which the researcher refers as aunt) who surrendered her life in 2016 due to landmines. This was all in the researcher's eyes instilling a great level of fear living in the same community. To the researcher's submission, the government is not doing enough. There is no single day the government supported the now lame uncle and the family of the deceased aunt, except a Non-Governmental Organisation. This became the family duty to fend.

The effects of the landmines are far-reaching. It is destroying the dreams of people with most of them, young. The precious resource of a nation is the people who drive its spirit. When people's spirits are subdued, dreams may easily shutter and the potential to support the development of the country may be void. Uncertainties may continue growing with each passing day resulting the downtrodden people to be liabilities to a country. It is expensive through the prism of leadership to motivate such people hence development will be minute.

Although there is no clear statistics of animals being killed by the landmines, Zenda (2019) reported the death of 120,000 animals since 1980. There is overwhelming evidence that even some of the protected animals who are also on the verge of extinction such as white rhinos, pangolin, buffalos etc., are facing death in these concentrated zones. The Halo Trust (2017); Zenda (2019) and Masiyiwa (2019) bemoan the rate at which both wildlife and livestock are killed. It is hard for farmers to recover the loss since their wealth value is



mostly stored in livestock.

The Mine Action Review (2018) considered Zimbabwe as “heavily contaminated”. The country is highly mined. In the 2018 Survey by Anti-Persoonsmijnem Ontmijnende Product Ontwikkeling or Anti-Personnel Landmines Removal Product Development (APOPO), Zimbabwe has over 66 million square meters of landmines. In the north-eastern region of the country, 87 communities with an approximate of 75,000 people are at risk since 78 mines were located a distance of fewer than 500 meters from households. Willie Makoti, the Chief of Sengwe (personal communication, 2018) warns the people every four months not to take short paths, open new fields or play with unknown gadgets because the area is not safe.

The areas of Sheba forest, Mukumbura and Musengezi border posts which are densely infested with landmines have a potential of attracting tourists due to their favourable weather, historical sites of importance, small to medium game parks and perennial rivers. Some areas infested with landmines stretch and link with the Gonarezhou National Park. When these landmines remain planted, they push back potential tourist activities which in a way would help the country to generate foreign currency.

Due to the prevalence of landmines and the real danger that ensue on encountering them, many people are living with the hearts in their hands. Fear is breeding uncertainties in the future of the people who are settled as well as settling in the areas. Some have already encountered the menace and others just fear to encounter them. How people are living in Zimbabwe is another major question. The economy is not performing. There is no money. The government is not active. The land to carry out self-help projects and farming on is infested. Then what else is left to imagine in such peripheral hard to reach areas?

This state of safety is dragging development leading others to abandon the areas, migrate, and searching for a safer destination for settlement. Places like Rushinga, Chesa farms, Zvimba and Mutare communal areas are becoming densely populated as they are safer destinations. In the reverse, there is a growing underpopulation in these landmine infested areas.

The institution of war is entirely in the decline, according to Mueller (2003). Some classic standard of warfare have become rare but what remains after the war provides the opportunity for others to continuously engage in warfare, especially civil war. This means the remnants of war need an urgent policing or else if such arms fall in the hands of rogues and bandits, the whole country will be thrown into chaos. Mozambique pulled through a nasty civil war starting from the 1990s and some of the dissidents took advantage of these war remnants to create their weapons. They also used these densely landmine infested areas as their bases and hide from state security when on the run.

The same with Zimbabwe in contemporary times. There is a group commonly referred to as "MaShurugwi", disturbing the tranquillity of the country. Although these people have not used these remnant weapons, when they intensify their rebellion, it could be an option to migrate to.

Since some of the landmines are planted underground, they tend to pollute the environment, making even the water sources unsafe. Approximately 80% of rural people use water from shallow wells and rivers for domestic purposes including cooking in Zimbabwe (Muneri, 2015). This means the bulk of the water used in those areas is contaminated making the people vulnerable to health hazards of using and drinking from contaminated sources.

Although the areas with landmines are peripheral, perhaps to invite urgency, a better explanation is needed why after 40 years of independence the calamities of landmines are real. In another thought, it probably meant the effects of landmines in Zimbabwe have not been painstakingly assessed and premeditated. This is also shown by the absence of a particular groundbreaking study on the effects of landmines in Zimbabwe making it difficult to determine absolute harms and effects as all will be widely speculative. However, victims of landmines should get unconditional support, the government must continue supporting demining activities and strategies to accelerate policy relevance should be crafted including the few below selected ones.





## **COMBATING THE EFFECTS OF LANDMINES: A REFLECTIVE GUIDE**

Landmines that are still planted need an urgent demining. The move to engage in demining may erase the proof of the heated conflict that existed for years, to some, pregnant with unpleasant events to continue remembering. After a successful demining, it may create a platform even for humanitarian agencies to reach the areas and support the people, equipping them with skills for self-sustenance.

Currently, there are five demining missions in Zimbabwe which are The Halo Trust, Mines Advisory Group (MAG), the Zimbabwe National Army (National Mines Squadron Group), the Norwegian People's Aid and APOPO. To the researcher's term of enlistment, demining is the only means that gives an immediate, accelerated practical support which results in short and long term tangible as well as measurable results for the Zimbabwean communities. Recognising that the demining process is in full force, thus some other strategies to reinforce its solid operation and speedy completion may need to be suggested.

### **Good Governance And Policy Injection**

The government need to show its will to remove the landmines as one of its core duties in providing security for its citizens (Constitution of Zimbabwe; Chapter III: Declaration of Rights). In addition to that, the government have to be competent, well-coordinated and supported by the people. The people support is important, for example, in the case landmines fell or are to be used by rogue people against the citizens or the state, people may defend on the side of the government. To reduce such risk, Muller (1998) asserted that a country should have competent military and police forces as of the case of Europe in the last century.

The risk of the landmines falling into the hands of bandits in Zimbabwe is high. The government seems inadequate, the military not well equipped including the policing forces and people are not pulling in one direction with the government due to various reasons, amongst them, ingrained tensions of perceived electoral fraud of 2018. There is a need for the government to warm the national mood and encourage every effort to be directed for development.

The government of Zimbabwe has done well on policy front creating the policies of landmine clearance but some of it needs to be well aligned with the many international standards provided by the African Union, United Nations and other international available statutes. The major alignment needed is practical implementation as it is lacking. As Zimbabwe is still building its nation-state, it is commendable that it finally acceded to the African Peer Review Mechanism (African Union, 2020). It is an important platform for measuring how states can deliver or executive their duties.

### **Education, Public Awareness And Capacity Building**

The naissance fathers of Africa like Julius Nyerere advocated for the people to be educated. The education though of varying classes was meant to serve the purpose of lifelong self-reliance. Zimbabwe has an indelible mark of greatness when it comes to education. Her people are well informed.

The problem is of the well-educated people who are moving out of the country and others already outside the country remaining there. One may wonder the rationale to it. The answer lies in searching for better opportunities. Zimbabwe is behind if compared to some other African countries such as Ghana, Tanzania, Rwanda and South Africa in preserving and retaining their educated people. These educated people by no means are equal to the task on how these landmines may be cleared in a short space of time, not this 40 years landmark. The learned people of Zimbabwe should be encouraged not to flea from home but now with such economy and politics polarised, it is going to be difficult.

### **Strengthening Of Economy**

The economy of Zimbabwe has gone from strength to strength being stubborn. Typically it is denying picking up from 2008 slump to date. Though during the period of Government of National Unity (2009 – 2013) it



showed signs of recuperations but failed to sustain for long. Varying models such as the Short Term Emergency Recovery Programme (STERP) 1 and 2, Transitional Stabilisation Programme (TSP), "Dollarisation", the introduction of bond notes and now local currency reintroduction, has been tried. There are a lot of errors and mismatch in both monetary and fiscal policies. Today the economic engine of Zimbabwe is hard to crack hence no creditable production.

Some analysts like Coltart (2019) opted for the Central Bank to be supplanted with another system that is apolitical and professional, perhaps emulating the Central Bank of India. In the field of researches, it is indicating that there is no production happening in Zimbabwe. Value is created, not just found, without production. If industries are not functioning, agriculture is not kicking and mines are not operating well, the few service industries may be subdued by the demands of the national budget hence ordinary people pay heavily.

Regrettably, this is the current scenario as Zimbabwe is struggling in three-layered trouble of liquidity crunch, policy anomaly and production gap. There is a need to heal the leaking economic wounds to the extent of eliminating corruption. A strong economy is needed to support a country especially to engage in intensive capital campaigns that involve demining and infrastructural development.

### **Science And Technology**

Science and technology are progressively becoming an enabler. It is streamlining life, making connections, undertakings and communications quicker and protected than before. Whilst technology is performing wonders, there is the other side of technology that needs to be censored and organized systematically. As rightly put

"The prophetic doom in Africa still rests on her cultural values and sentiments as some assert technology is collapsing the original social rubrics and implanting a culture of violence. The traditional African system of conflict resolution is being demolished without something relevant given as a replacement. The democratic processes, though rudimentary, was uprooted and replaced by technological colonisation which mounted an authoritarian command to people. Even in the societies, technology is breeding new seeds of elites, nurturing and weaning them on the altar of violence armed with the structures of a modern state, to continue carrying out the art and act of subjugation of the mass in an attempt to service technology." (Mujuru, 2017)

The above highlighted negative service from technology must be prevented to maximize the net gains in Africa.

Africa as a continent is supporting technology through various mechanisms such as New Partnership for African Development (NEPAD), African Ministerial Council on Science and Technology (AMCOST), Zimbabwe's STEM Initiative and other decision-making tools used across the continent. If science and technology are prioritized even the machines to detect the exact positions of the mines may be invented and substitute the use of giant rats, dogs and humans to detect buried landmines. This also goes hand in glove with retaining the few scientists and entrepreneurs Zimbabwe has from going outside the country.

### **Collaboration With International Partners**

Zimbabwe might have disappointed many international partners with the projection of her foreign policies which were, of course, unpredictable (Moyo, 2019). This severance of good international relations is evident with the smaller number of international partners willing to assist on the clearing of mines. Currently, there are four partners in the country and the areas to be cleared are very large. For example, in the period 2017 -18, Halo Trust removed 31,000 landmines on a 1.7 km/sqr area yet they are faced with a vast space of 850km/sqr. It is not certain if the Vision 2025 of a "Free Zimbabwe without the risks of landmines" will be attained.



There is need for Zimbabwe to review the donor strategies to get support. She has indeed been failing to fulfil her obligations like payment of loans to the Bretton Woods institutions. But certainly, with such a humanitarian issue at hand, it is possible donors may cede but a change in approach is needed. Partners that can also be donors, for example, the African Union, European Union, DANCHURCHAID, and SWEEDISH AID etc. need to be involved and well managed. There have been widespread accusations that more funds were misused in Zimbabwe (Berger and Thorneycroft, 2008). This has to stop to instil professionalism.

## CONCLUSION

Realities emerging from Africa of global warming, migration, political instability, terrorism, corruption, the safety of women and children remain a concern. Zimbabwe, in particular, has some of these problems coupled with war remnant perils. An educated and healthy population with assured safety is a pillar of successful national development. Even the World Bank concluded that a healthy and educated population is a good indicator of national development. It automatically revitalises the standard of living and guarantees peoples' dignity especially if it is on children. Education and capacity building should be prioritised in Zimbabwe to provide lifelong training. Good policy initiatives and good governance should be in place and well implemented. This involves providing a platform for people to participate in issues that affect their lives as enshrined in the Agenda 2063: The Africa we want; Aspiration 6. The problem of landmines is causing untold suffering. The year 2020 as the 'Year of Silencing Guns' came at the right time despite being parallel with that of landmines; definitely, it is another form of weapon that is destroying from the underneath of the earth. Zimbabwe needs a fast, result-oriented, supportable and practical plan to silence the landmines.

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# EFFECTS OF THE PUBLIC PROCUREMENT AND DISPOSAL ACT OF 2015 ON THE FINANCIAL MANAGEMENT OF THE STATE CORPORATIONS IN KENYA: A CASE STUDY OF AGRICULTURE AND FOOD AUTHORITY

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## ABSTRACT

The objectives of the study was to find out the effects of Public Procurement and Asset Disposal Act, 2015 (PPADA) on financial management in Kenya's State Corporations, a case study of the Agricultural and Food Authority (AFA). The specific objectives were: cost of goods and services procured transparency in the procurement processes, lead-time of procured goods, quality of goods procured affects the financial management of Agricultural and Food Authority. A descriptive study design was adopted for this study. Stratified sampling was employed in the study to pick out the management and other staff at AFA countrywide offices where a total population study of 186 respondents working under Administration, Finance, Transport, Research and Production Departments were drawn from the study population. The primary data was collected using structured questionnaires. The study findings revealed that cost of goods and services procured, transparency, lead-time of procured goods and the quality of goods procured in State Corporations affect their financial management. The study recommends that State Corporations should efficiently implement Public Procurement and Asset Disposal Act, 2015 (PPADA) to improve their financial management.

## INTRODUCTION

In service delivery, a public procurement system that is efficient, fair and transparent is increasingly becoming essential especially in developing countries (Basheka and Bisangabasaija, 2010). This is due to the fact that public procurement accounts for high proportion of government expenditure. There is a need for government procurement systems to be transparent and there be transparency in the way public funds are used (Hui et al., 2011). According to Hui et al. (2011), most public officials engage in malpractices and non-compliance with the set procurement procedures and policies. Non-compliance in public procurement is a big evil in European nations as it is in third world countries (Gelderman, 2015).

Financial management is concerned with obtaining money and using it effectively, efficiently and in an economical manner (Sarfo & Baah-Mintah, 2013). Financial management consists of financial planning, financial control and financial decision making. Public procurement is one of the component areas of Kenya's reform pillars under Public Financial management (PFM, 2006-2011). Public procurement is one of government fiscal policy which is directed towards improving the management of public expenditure and achieving public financial management (Sarfo & Baah-Mintah, 2013). A lot of money is spent on goods and services by of both developed and developing country's Governments in delivering their mandate and it's therefore essential to manage procurements effectively and properly for purposes of achieving value for money (VFM) for the taxpayer. For instance the public sector in the UK for example spends well over £150 billion a year on the goods and services necessary to deliver public services (European Commission, 2007). The highest professional standards are therefore expected to be applied when the Public Procuring entities spend money on behalf of taxpayers to ensure they get the most cost effective deal and to provide appropriate and necessary goods and services to the quality required to meet user needs (Kenyanya, 2010).

Further, Many countries in Africa have had their public procurement and disposal of functions facing the challenge of failing to meet the thresholds and standards requisite of them. They have always had to seek interventions as regards policy formulation to ensure achievement of the envisaged standards. The development of statutes notwithstanding shortcomings in the practices and business activities has always



exposed the procurement systems to exploitation from government bureaucrats and unscrupulous business people (World Bank, 2015). This has proved a challenge to jurisdictions which are doing their best to ensure the compliance to procurement statutes being developed and in various stages of implementation in their countries.

Development partners and donor agencies have had the challenge of enforcing issues of probity and adherence to the law as regards the public procurement functions. Many are the instances whereby we have had the exposure of the nascent procurement systems to abuse and exploitation especially so in many countries in Sub-Saharan Africa (Shaw, 2014). According to World Bank (2016), most governments' globally most governments are making public services more effective, accountable, transparent, reliable, professional and ethical also to assure Economic growth and competitiveness. Therefore Governments have been making all effort necessary for engaging services of experts to help reform and strengthen their public finance management (PFM) systems. The Government of Kenya has not been left behind and has been working towards having a major shift in the way the public sector runs its affairs especially on procurement which has the greatest bearing on financial management and this has led to prioritizing the attention to efficiency, effectiveness, and innovation (Ngari, 2010).

There has been a wide range of activities that have been designed to improve the efficiency of public expenditure which includes changing the structures of various public entities (including merger), using alternative means to delivering services (such as on line platforms), as well as engaging the private sector and the non-profit making organisation through public-private partnerships.

## LITERATURE REVIEW

The study is premised on the innovation theory as postulated by Rohftan in 2009. The theory has the initiative of public procurement being used by governments in jurisdictions within the European Union as a tool of spurring innovation in the spheres of business nationally. This is by way of bridging inequalities by way of empowering players in the informal sector to trade with public entities.

The opening up of the avenues for trade calls for innovation to enlist a bigger participation of the local communities. The theory identifies well with the public procurement policy in the public sector. This is because it brings on board many more players from the informal sector into the public sector supply business. This allows them to innovate and have linkages with the institutions and engage in supply contracts. Creation of employment opportunities empowers the local communities.

Regulations require that the institutions advertise for the procurement programmes and the any interested and eligible service provider benefits from the awareness created. This is innovative in the sense that it provokes the local communities to rise up to the challenge of formalizing their businesses to the level requisite for the doing business with the public sector institutions. It aids grow the local economies and open up avenues for empowerment. This has the benefit of enabling local industry growth.

The engagement of a greater participation of more players in the public sector supply chain by way of the open tender system helps the government raise more revenue in form of taxes. This is occasioned by the formalization of business by the suppliers forcing them to pay taxes to the government. These impacts positively on the capacity of the government meet its obligation of raising revenues.

The aspect of advertising for the procurement contracts and supply tenders opens up the supplies business to more participants. This helps the public sector institutions benefit from the competitive process and have goods supplied to them at a lower cost and provision of quality goods and services. This is innovative in that it lowers the costs of goods and services. The reduction of the cost of goods and services enables the public sector entities to make savings which may impact on their lead-times.



The innovation theory of public procurement is thus very much in tandem with the PPADA which seeks to create austerity in the governance and public fiscal programmes. This is because it encourages transparency and competitiveness through open tender system. This has helped to reduce rampant corruption and inefficiency in the supply business as witnessed before the enactment of PPADA.

The public procurement system in Kenya has evolved from a crude system with no regulations to an orderly legally regulated procurement system. The Government's procurement system was originally contained in the Supplies Manual of 1978, which was supplemented by circulars that were issued from time to time by the Treasury. The Director of Government Supply Services under the Ministry of Finance was responsible for ensuring the proper observance of the provisions of the Manual. The Manual created various tender boards for adjudication of tenders and their awards and subsequent follow up.

However, these boards were not so effective (Aketch, 2005 as quoted by Kipchilat, 2006). According to Bukhala (2013), a review of the country's public procurement systems was undertaken in 1999 and established that there was no uniform procurement system for the public sector as a whole. The system had more loopholes as it did not have sanctions or penalties against persons who breached the regulations in the Supplies Manual, other than internal disciplinary action. Consequently application of the rules was not strict and many of the norms were not followed. Furthermore, the Supplies Manual did not cover procurement of works; the dispute settlement mechanisms relating to the award procedures as set out in the manual were weak and unreliable for ensuring fairness and transparency. In extreme cases, records of procurement transactions were found to be inaccurate or incomplete or absent.

In view of the above shortcomings it was found necessary to have a law to govern the procurement system in the public sector and to establish the necessary institutions to ensure that all procurement entities observed the provisions of the law for the purpose of attaining the objectives of an open tender system. Consequently there was establishment of the Exchequer and Audit (Public Procurement) Regulations of 2001 which created the Public Procurement Directorate (PPD) and the Public Procurement Regulations of 2001.

Aljin (2014) attested that different organizations have varying procedures to facilitate the supply of goods and services to them. This is driven by the fact that the function of purchasing of goods and services has to be guided by stipulated regulations guiding the operation of the same to ensure the smooth running of the organization. This is because in the absence of regulations guiding an organization as regards the same, it may end up losing and run the risk of incurring losses in the procurement and supply chain.

Procurement, according to Wind and Thomas (2001), is as old as organizations but it has evolved over time. It developed from the need of organizations to acquire those goods and services that they could not produce but needed in their operations. Initially, the focus of contracting was typically on minimizing costs to the procurement entity rather than on delivering specific service quality outcomes. With time procurement has evolved to include new aspects like strategic sourcing, procurement and performance-based service contracting. In seeking to outsource for goods and services, good practice and business efficacy demand that the purchaser wants to find a supplier who was both reliable and who provide products or services that are good value for money (Griffith and Griffith, 2012). Good value for money does not simply mean the cheapest but includes a variety of other factors such as quality, compliance with tendering criteria and after-sale service. Procurement may either be for public or for private institutions.

Kipchilat (2006) noted that public procurement is different from private procurement because in public procurement the economic results must be measured against more complex and long-term criteria. Furthermore, public procurement must be transacted with other considerations in mind, besides the economy. These considerations include accountability, non-discrimination among potential suppliers and respect for international obligations. For these reasons, public procurement is now subjected in all countries to enact regulations, in order to protect public interests, especially public finance.



Adan (2014) suggested that public procurement goes through a process of competitive bidding. The process may entail local, international or restricted bidding depending on the scope of the contract. The same is subject to the regulation of the public procurement oversight authority which gives leeway to the bidders to have an avenue to voice their concerns, complaints and petitions in the case of discontent with the process. This always gives the authority the mandate to supervise, oversee and seek corrections in the event of shortcoming in the exercise. It cautions the procuring entities to strive to conduct business which is above board in terms of passing the test of integrity.

## **RESEARCH DESIGN AND METHODOLOGY**

This study adopted a research design in form of a descriptive survey. It is deemed as the best approach with regard to collection of facts as they are on the ground without any manipulation of the variables under study. It concurs with Kombo, (2006) when he argued that a descriptive study design can be used when the emphasis is determination of the extent to which a problem is influenced by the variables under study. In this case the study seeks to find out how the Public Procurement and Disposal Act, 2015 affects the financial management of state corporation, a case of AFA.

The population of interest consisted of the staffs working under Administration, Finance, Transport, Research and Production. The target population is composed of one hundred and eighty six employees of AFA. The study used the stratified random sampling method because it is deemed as the best approach with regard to getting information from an equal and representative sample targeted by the study. The departments acted as the strata and 50% of the population of the employees within every department was taken to get the sample size.

This study's data was collected through a self-administered questionnaire. Self-designed Open and closed ended questionnaires are going to be used to collect information for the study. According to Christensen, Johnson, and Turner (2014), questionnaires are the most commonly used method of data collection as they are simple to administer and relatively easy to analyze. For collecting primary data, questionnaires are most appropriate to use. Questionnaires use is the most popular method especially when the population and sample size are large. According to Mugenda and Mugenda (2008), a questionnaire is a collection of questions to which a research subject is expected to respond, this instrument can be administered by providing written questions to the respondents. Questionnaire was designed with most of closed ended questions and only few open ended question, designed to cater to all areas and aspects of the study.

The data collection was by way of self-administered questionnaires which sought to get primary data from the respondents. The secondary data was collected from the institutions records in the procurement department.

The target respondents was issued with questionnaires and they was given adequate time, for them to fill them in and the researcher collected them for the purposes of conducting the analysis. The filled questionnaire was sorted and subjected to scrutiny to check for the presence of any unfilled questions, incorrect answers and any incorrect information. After the cleaning, the data was analyzed to generate frequencies and percentages which was used to quantify the data. The data was thereafter presented in form of tables, pie charts and bar graphs.

The collected data was first be coded to ensure accountability of the number of questionnaires to be issued. The questionnaires was edited and cleaned for completeness, accuracy and consistency. The data was then be edited and coded using the Statistical Packages for Social Sciences (SPSS) software before it is analyzed using descriptive and inferential statistics. According to Kumar (2005), in quantitative and qualitative data analysis the Statistical Package for the Social Science (SPSS) is used.

Descriptive statistics was used to summarize, organize and simplify the study findings which was graphical presented using such as graphs, pie charts and tables. The data to be collected was subjected to reliability and



validity tests. As per Mugenda and Mugenda (2003), dependability alludes to a measure of how much research instruments yield steady outcomes.

The precision of data gathered generally depended on the instruments to be utilized to gather data as far as legitimacy. Robinson (2002) plainly takes note of that validity is how much the investigation result to an expansive degree really speaks to the marvel under examination.

Regression model was employed to test the relationship between the dependent and independent variables to establish whether there is any relationship that exists be it positive or negative. A regression analysis was undertaken to estimate the strength and the direction of the relationship between the dependent and independent variables.

The regression model for this study took this form:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \dots$$

Y= Dependent Variable (Financial Management)

$\beta_0$ = Constant (value of Dependent Variable when all independent variables are zero)

$\beta_{1-4}$ = Regression Coefficient for each independent variable

$X_{1-4}$ =Independent variables (cost of goods and services, transparency, lead-time, quality of goods)

## INTERPRETATION OF FINDINGS

The study sought to find out the effects of Public Procurement and Asset Disposal Act, 2015 (PPADA) on financial management in the Agricultural and Food Authority. The study was guided by the following objectives:

Most respondents agreed that the organization carries out an evaluation of the cost of goods and services before procurement and that the cost of goods determines the supplier to be awarded contracts to supply goods and services. The study also revealed that the procurement procedures set defines the standards with regard to the costs of goods and services supplied to the organization and that the Public Procurement and Disposal Act, 2015 impacted on the cost of goods and services supplied to the organization.

On whether the respondents consider the procurement procedures employed in the organization as transparent, most of them indicated that there is transparency. Most respondents agreed that there has been instances of complaints from aggrieved parties in the organization procurement process due to lack of transparency. Most of the respondents were aware of any insider trading perpetuated by the employees within the organization. The study also indicates that the implementation of Public Procurement and Disposal Act, 2015 affected the level of transparency in the organization.

Again, the study established that lead time in the procurement process has a greater impact on financial management of State Corporations when the lead time is not long and bureaucratic. These results were similar to Budi (2012), who studied challenges in the management of procurement process within Kenya Rural Roads Authority where he established that most of the delays in completion of road projects were a result of long, rigid and bureaucratic procurement processes. He noted that this in turn affected the overall budgeted costs for most of the road construction projects.

Further, the study indicates that there are set out procedures to evaluate the quality of goods and services supplied to the organization and that the procedures ensured they uphold high level of standards in line with the Public Procurement and Disposal Act, 2015. Most respondents also indicated that the procurement regulations employed by the organization ensured adherence to the Public Procurement and Disposal Act, 2015.

The study concludes that transparency, fair treatment in bidding and award of tenders, accountability and responsible purchasing and supply had a positive implication on procurement processes in any organization.



Finally, the researcher recommends that state corporations should ensure that the entire procurement process is characterized by transparency. All the players who are involved in the procurement process including the suppliers and individuals working in the supply chain management department should be involved.

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## FINANCIAL INSTITUTIONS AND THE INCLUSION OF YOUTHS THROUGH ENTREPRENEURSHIP IN KENYA

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### ABSTRACT

Kenya is home to 10.1 million youths, which corresponds to almost 20.3 per cent of the country's population aged 15-24 years. According to the World Bank report released in 2017, Kenya tops in the East Africa region in youth unemployment at 17.3 per cent in comparison to Uganda and Tanzania, at 6 per cent. The majority of youths considered to have attained working age are either unemployed or engaged in low paid employment. Promoting youth entrepreneurship is one way of empowering young people to respond innovatively to the needs of society; this would consequently lead to the generation of more decent employment. While there are numerous challenges to self-employment, inaccessibility to financial support is the main hindrance to youth entrepreneurship. This study, therefore, analyses ways through which some financial institutions in Kenya are promoting entrepreneurship and financial inclusion among the youths and how this can be adopted across Africa for scaling youth self-employment.

**Keywords:** *Entrepreneurship, Empowerment, Financial Technologies, Policy*

### INTRODUCTION

Research shows that Africa has the youngest growing population in the world. Young Africans aged between 15 and 24 make up 19.4 per cent of the total population, with children under the age of 15 years, comprising about 41 per cent of the entire population (United Nations, 2015). However, Africa's youths who are perceived as the driving force for the continent's prosperity are by and large left out on crucial development and growth programs. They are often marginalised and alienated in policy and program design, both nationally and regionally. Although Africa has made strides in areas of policy formulation and commitment, such progress has not resonated with the action on the ground. Majority of the youths still lack jobs, limited access to public resources and other public services.

International Labour Organization (2016) indicated that young people in most of the African countries continue to languish in abject poverty emanating from unemployment and lack of social protection. The report also observed that despite 37.8 per cent of young people being employed, they were still living below \$2 a day. The employed youths were also found to be 1.5 times more likely to end up in poverty, and 1.2 times more likely to fall in a category of moderate scarcity. Hitherto, Africa's young people long for opportunities that offer decent wages, better work conditions, and security. However, only a few can achieve these aspirations to reality, signifying that such chances are slipping away for the continent to profit from its demographic dividend.

Despite the rapid economic growth of the continent over the past decade, characterised by improvements in technology and infrastructure, young people continue to face difficulties and challenges in areas of entrepreneurship, employment, and financial inclusion. The continent also experiences unparalleled rural-urban migration, with forecasts projecting that by 2040 nearly half of Africa's population will be living in the cities, of which, the majority will be the young people.

The 2017 Global Entrepreneurship Monitoring survey indicated that young people are positive about opening new ventures. However, there is low entrepreneurial involvement among youths. In the continent, new businesses started by young people aged 18-24 accounts for less than 8 per cent. The report noted a lack of experience and awareness, inadequate knowledge, limited financial literacy, and fear of the unknown as some of the challenges that discourage youth entrepreneurship. It is, however, lack of access to financial



support that deters youths from engaging in entrepreneurial activities which are coupled with regulatory issues like a minimum age for opening a bank account. Additionally, the majority of the youths' do not have collateral and credit history, which further makes it difficult for them to access capital for their businesses.

Lack of education is also regarded as a significant hurdle for young person's access to credit for entrepreneurship, lack of business skills; another critical factor follows closely (Bwisa, 2010). Majority of the youths seem to be less confident as compared to adults when it comes to starting a new business. This is coupled with the missing link between government training programs and imparting of comprehensive skills for entrepreneurship to aid in business planning, budgeting, business ideation, and marketing skills. The skills gap calls for government and stakeholders' urgent intervention through the provision of on-the-job training as well as aligning education to the needs of emerging sectors of the economy.

Youth entrepreneurship is among the top priorities by the government of Kenya due to inclusivity and continuity. That is entrenched both in the 2010 Constitution and the Vision 2030 strategic framework. Notably, the youth have been given significant focus due to their number and vulnerability. Kenya has various sessional papers focusing on youth empowerment since independence, with the latest one drafted in 2018 by the Ministry of Public Service, Youth and Gender Affairs. The sessional document defines youth empowerment as the ability of young persons aged between 18 to 35 years to create and have authority over decisions and capacities that will influence both their lives and others (The Republic of Kenya, 2018). The empowerment counters entrepreneurship and financial inclusion.

It is from this outlook that this paper offers an assessment of the interplay between banks and youth entrepreneurship in Kenya. Through innovative analysis, the paper illustrates how banks and other pertinent actors are ensuring youth-related policies are put into action to achieve meaningful entrepreneurship results.

## **THEORETICAL MODEL**

This study uses theoretical perspectives heavily related to the Theories of Entrepreneurship to examine how various actors promote entrepreneurship and financial inclusion in Kenya. These theories are; the Mark I and Mark II theories (Nelson and Winter 1982).

With regards to the Mark I theory, by Schumpeter, the study analyses ways through which entrepreneurs or wild spirits inspire innovation and technological advancement. In particular, the study argues that entrepreneurs are the source of innovation, setting ideas in motion in the country's economy. Such concepts include discoveries in financial technologies and other products and services. Additionally, the Mark II theory, also by Schumpeter, has helped the study in understanding and bringing out how actors such as banks and government institutions endowed with resources promote entrepreneurship and innovation through capital and incubation programs. Both the Mark I and Mark II theories have been used by this study to bring out the interconnectedness between actors, entrepreneurship and financial inclusion.

## **FINANCIAL INCLUSION STRATEGIES AND KEY ISSUES IN KENYA**

Entrepreneurship has been acknowledged as one of the significant interventions proficient to offering solutions towards youth unemployment problems in Kenya. Lisk and Dixon-Fyle (2013) recognised the flexibility of the youths concerning the changing entrepreneurial environment when they stated that: "with their ability to adapt to changes and innovate, young people have the potential to drive entrepreneurship and growth." To realise this, Kenya will have to provide institutional support as well as facilitate reforms to enable a conducive environment for youth entrepreneurship (Mullei & Bokea, 1999).

The notable benefit of promoting youth entrepreneurship is that it generates employment by developing a cadre of young people who own enterprises. Apart from self-employment, entrepreneurship offers an opportunity for youth-led businesses to employ other young people (Hisrich et al., 2005). Employment creation ensures that previously marginalised and alienated youth are mainstreamed back into the economy.



Entrepreneurship also provides the youth with the possibilities to be innovative and creative in coming up with unique solutions and approaches to doing things — a departure from several conventional models.

Young people in Kenya face a myriad of hurdles with regards to employment. The majority of them lack the required skills that resonate with employer demands. This could as well be the case for those young people who dropped out of school. Skills constraints may as well refer to young people joining the labour market with the necessary qualifications, albeit with limited abilities. Skills in business, management, and entrepreneurship end up becoming a constraining factor, principally among them that aspire to pursue self-employment.

Financial inclusion in Kenya is considered to have grown tremendously over the past decade (Ngugi, 2015). This growth includes access to formal financial services, ranging from obtaining a bank account to credit facilities that are within reach. Coupled with the ICT revolution, a more elevated level of financial inclusion in the country is therefore attributed firstly to an increase in the number of financial service providers such as commercial banks, credit co-operatives and microfinance institutions, which are within reach — secondly, prioritizing financial inclusion by including it the National Vision 2030. The banking sector has significantly metamorphosed since the year 2007, with the revolutionary mobile phone payment systems that include M-Pesa, Airtel Money and Yu-cash, among a host of others. The revolution is acknowledged to have changed Kenya's financial landscape, which not only allows accessibility but offers an efficient and cost-effective transfer system of money and disbursing model of payments. Through this technological advancement, commercial banks can reach youths and women, the majority of whom are considered 'unbanked' (Allen et al., 2013).

Despite the model's triumphant accomplishments elsewhere, Kenya's financial institutions are still reluctant to loan youths due to the high default rate determined between 20 and 30 per cent. The private sector and government, however, should invest in a hybrid paradigm that reinforces entrepreneurship, skilling and enterprise incubation to strengthen the credit guarantee schemes approach, as is illustrated in the study.

### **IMPACT OF BANKS ON ENTREPRENEURSHIP IN KENYA: CASE STUDY OF KCB GROUP**

Banks as financial institutions in Kenya have taken a leading role in nurturing and promoting entrepreneurship among young people. A case in point is the KCB Group, which committed Ksh 50 Billion in March 2016 to support out-of-school youths with start-up capital with single-digit interest rates. This support, commonly known as the '2jiajiri' programme, is being implemented by the bank's foundation (KCB Foundation). The group CEO Joshua Oigara observed the impact of 2jiajiri programme in December 2018 at Kasarani Stadium during the graduation of 10,000 youths. He said, "The fact is, our young people are ambitious, driven and have proven to us over and over that they can transform Kenya if only they are given a chance. The purpose of the funding is for start-up and working capital for beneficiaries under the programme" (KCB Group, 2018b).

The KCB Group's Foundation is also working with other non-governmental organisations to advance technical capacity and financial management skills among the youths in Kenya. The Foundation, in partnership with Research Triangle Institute (RTI), funded by USAID, is implementing Kenya Youth Employment and Skills Programme (KYES). The Foundation facilitates access to finance, training on business skills, financial literacy training, and linkages to markets. Its objective is to improve income and employment opportunities. KCB foundation in partnership with GIZ E4D/SOGA (Employment and Skills for Eastern Africa) is also implementing a program that aims at increasing self-employment and income generation to over 4,000 youths with a budget totalling US\$ 2.7 million in the informal sectors of agribusiness and construction in Kenya. It offers young people the opportunity of accessing financial support without too many intricacies, previously serving as an obstacle. The bank is also running an entrepreneurship television series known as the 'Lion's Den' that features some of Kenya's prominent entrepreneurs. Through the programme, the youths pitch their business ideas to a panel of successful young entrepreneurs who evaluate them for possible funding opportunities.



## **DEEPING ENTREPRENEURSHIP AND FINANCIAL INCLUSION IN KENYA**

Eradicating obstacles to financial inclusion can lead to an increase in entrepreneurs among the youths in Kenya. Digital financial services may be the first contact within the banking industry for the majority of young people (Beck et al. 2010). Financial technology ('fintechs') has created opportunities for the generation of new business models speeding up financial inclusion and entrepreneurship among the youths in Kenya. Key among them is the way through which agency banking models have been effective in enhancing youth entrepreneurship and financial inclusion.

Financial technologies ('fintechs') can be adopted as an alternative credit scoring method, marking a departure from the conventional system that mostly relied on collateral assets as a financing prerequisite. Fintechs can be used to analyse and provide data on youths regarding their social media, mobile transaction history as well as other techniques of credit scoring divergent from the conventional collateral requirement system. New products that score young people according to talent and education rather than assets and banking history would serve best. Currently, in Kenya, borrowers are accessing small amounts of credit through their mobile phones. The mobile platforms rely on transaction history to allocate the credit amounts attributed to the borrower. While this method is revolutionary in terms of financial inclusion, it allows access to minimal credit, which increases with the repayment experience. As a result, bank credit through the mobile platform may not necessarily address the lack of finance for entrepreneurship by the youths.

To strengthen the capacity of the young people's access to financial services, banks in Kenya can accommodate businesses in incubated and accelerator programs (FSD Kenya, 2009). Such models contribute a plethora of incentives varying from networking possibilities, expert talks, mentorship, conferences, workshops, counselling, business development, entrepreneurship training and leadership. The entrepreneurs' network is vital at or encouraging the youths to enhance innovation and in stimulating their businesses (Gravesteyn, 2014). The arrangement not only encourages entrepreneurship among youths. It also provides a platform for a mentorship experience where information sharing and dissemination thereof promote business development. A role model network further offers linkages to business associations, which in turn provide opportunities for members to access funding and markets.

To measure the effectiveness of the 'role model' approach, the government, organisations, and corporates need to work on the quality of the relationship between the mentee and the experienced entrepreneurs. As shown by research, the method tends to be more operative when the match between the 'role model' and the mentee is appropriate, since the commitment is tailored and distinct support is given. A 'role model' network can also be active through the establishment and operation of Youth Entrepreneurship Centres (YEC) at the county as well as the sub-county levels. Such replicas are successfully being instigated in some developing countries but extensively among EU and OECD member states. These YECs will avail youth-friendly training as well as programs geared towards entrepreneurship. The YECs guarantee reliable and continuous business advisory along with counselling services to youths.

The mentorship also acts as a training guide to deter crooked dealers from exploiting the budding business persons, while supporting informal investments and promoting specialisation (Muthee, 2010). All government institutions offering financial aid to youth-driven ventures have a business development arm that helps in the structure and execution of the business. The Uwezo Fund and the Youth Empowerment Development Fund (YEDF) are an excellent example of such programs. Kimando and Njogu (2012) recommended that if the YEDF put more emphasis on mentorship and training, the impact would be more significant.

This can be performed by partnering the public and private institutions that venture in both instruction and execution of business management. Owing to the two program structures, the entrepreneurs are attached to individuals or firms who form a case study for the new business.



Absence of collateral seems to significantly contribute to the youth's failure to access financing from lending institutions. Studies also show that many of these businesses lack proper records, inadequate/absence of marketing strategies, non-skilled entrepreneurs, and non-compliance with regulatory frameworks (Kenya National Bureau of Statistics, 2012). However, the lack of security (fixed assets) is constraining the youths from accessing capital from banks. It is therefore imperative to creatively explore lending strategies that emanate from the current method based on collateral – since most teenagers do not have material assets. The Credit Guarantee Scheme (CGS) is one procedure which aims at rendering access to capital without the conventional prerequisite collateral. The CGS is a guarantee scheme by the government to act as an intervention method to enable youths to access finance. The CGS offers financial risk mitigation to creditors by absorbing a percentage of the financier's losses on credit extended to the youth's enterprises in the event of non-payment at a small fee.

A good case in point is the government of Malaysia which incorporated CGS in the 1970s to encourage entrepreneurs to diversify from agriculture sector – mostly tin and rubber farming. Consequently, 445,217 guarantees worth \$14.8 billion have been issued to Micro, Small and Medium Enterprises (MSMEs). To date, Malaysia boasts of more than 645,136 businesses representing 97.3 per cent of established enterprises as a result of CGS. In India, CGS was formed to offer credit to MSMEs without collateral or third-party guarantees, essentially enabling the lenders to focus on project viability and advance the credit facility based on the security of assets financed.

## CONCLUSION

Kenya continues to articulate the importance of creating sufficient opportunities for employment to address the continent's increasing labour needs, particularly among young people. Nonetheless, the problem of youth unemployment continues to posit difficulties for the region. Interventions that are put forward do not work nor correspond with the degree of youth unemployment that is existent. The intervention from the banking sector can, however, be advanced in the form of working capital and business mentorship. It is a significant constraint that has hindered youths from becoming self-employed or launching their businesses. Most young people without proper education tend to need financial support for their small businesses due to being unemployable for lack of skills. Therefore, appropriate and all-encompassing financial services can equip the youths with the required resources to become economically viable and productive members of their communities.

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## YOUTH REACT NEGATIVELY TO FOOD INSECURITY AMID CLIMATE CHANGE IN CHIPINGE DISTRICT OF ZIMBABWE

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### ABSTRACT

This study analyzes the response of youth in Chipinge in face of climate change 's effect on food insecurity in the area. The qualitative research informed by desktop analysis provides empirical evidence that youth in Chipinge district have lost hope in their potential and district ' s capacity to guarantee food security due to adverse changing weather patterns over the previous two decades namely, cyclone Eline and Idai. Chipinge' s climate is the key at changing the narrative at hand as it has proven to favor cash crop plantation and small grain production for example, tea, coffee macadamia nuts, sorghum and millet. The study took Nyerere and Paulo Freire approach to educate and conscientise youth on food security and climate change. Youth have been recommended to form communal collaborative, joint ventures and adopt agricultural insurances, whilst devolution and implement policy to support youth in farming should be considered by government and policy makers.

**Keywords:** *Youth, Climate change, food insecurity, cash crop, small grains, Nyerere and Paulo Freire approach, Chipinge district*

### INTRODUCTION

Climate change comes along with a legion of threats generally on food security i.e. food production and its availability and lack thereof. The inter-dependence of men and the environment make societies prone to threats posed by long term changes in weather patterns detected over a period of time known as climate change (Burroughs, 2001). Society rely more on the natural resources in the environment such as land for agriculture, mining and industrialization as livelihood survival mechanism hence succumb to the latter. These activities directly and indirectly contribute to food availability in the society hence the need to safeguard the environment. Researchers have noted that climate change is an inevitable global phenomenon that includes extreme weather events such as drought, flood and hailstorm (Mudeka and Mandirahwe, 2017). Looking at Zimbabwe an Agriculture based economy, climate change has hit a sensitive nerve of the sub saharan country which in governace and politics is bleeding causing untold suffering of unemployment, poverty and hunger . Meanwhile, the duty of protecting the environment and move to adapt to climate change lays on every human beings ' shoulders.By large, this research is meant to urge the youth in Chipinge to be practically involved in efforts to curb climate change threats towards food production and avaliabilty.

As the future guardians and the largest population dividend, youth have a huge task on their shoulders to ensure humanity survival despites threats like climate change that may lead to human extinction due to poverty and hunger. The research focuses on Chipinge but the lessons are not limited only to the area of study nor the youth of Chipinge only. Negative approach to climate change, environment protection as well as food insecurity among youth has become a cancer in the region.In that light, youth across Africa have been called up to take up responsibilties to shape the Africa they want that is an Africa that is desired by its own not deserted by its own (Ighobor, 2018).Agricultural wise, Chipinge is taken for granted since its climate is not favourable to maize the staple crop in Zimbabwe instead its climate is more suitable for small grains like millet and sorghum which are not largely preffered by Zimbabweans. More so, Chipinge has vast plantations of cash crops like bananas, tea, coffee and recently macadamia nut which are doing well in the humid climate. The odds of Chipinge ' s climate boosting food security in the country is high since climate change has made it impossible for high production of maize in the past years. However, most youth in Chipinge have remained admant to ensure food security through full participation in suitable agriculture in the area such as



millet, sorghum, bananas, tea, coffee and macadamia nuts. Perhaps the youth are reading from the wrong menu as the rest of Africa seems to be doing on tackling climate change effects (Murwira, 2020). The research adopted Nyerere and Freire Paulo approaches to liberate the mind and conscientize the youth respectively.

## BACKGROUND

Climate change effect has not spared an inch of Africa's territory posing huge threats on its food security while making it more difficult for the continent to reduce poverty and hunger UN's SDG(s) 1 and 2 respectively. Evidently the recurrence of intense droughts and flooding is now a norm in the Horn of Africa and West Africa ravaging farming as well as fishing communities in coastal cities from Ghana to Benin (Kuwonu, 2019). Kuwonu further notes that climate change has turned Sahel region into a desert due to prolonged droughts. Unfortunately, Africa might end up unable to feed itself despite the fact that she has approximately 30% of earth's remaining mineral resources, three quarters of the world's arable unused lands and over 60% of its population.

Southern Africa used to be praised as the bread basket of Africa with South Africa being the hub in trade, Namibia and Malawi with its fishery, Zambia rich in coal, Botswana with diamonds and cattle ranching, while Zimbabwe engaged in all forms of agriculture ranging from horticulture, poultry, cattle ranching, maize, cotton and tobacco farming (NewsDay, 2018). However, the past two decades Southern Africa has been turned into a bread begging region with most of the countries struggling to feed itself due to climate change. Notably the water table has gone below capacity causing water crises due to prolonged drier spells for example in 2018 Capetians went for days without water as dam around Cape Town dams were below 13.5% (Tafirenyika, 2018). The region was badly affected by the El Niño and La Niña effects resulted in loss of cattle, crops and human resources in the last 5 years. Of late, Mozambique, Malawi and Zimbabwe have lost and injured a several hundred of people with over 1.9 million on the region affected (The Humanitarian, 2006).

Chipinge is a district located in Manicaland province on the eastern part of Zimbabwe closer to Mozambique has not been spared. In the year 2000 cyclone Eline hit Zimbabwe, Chipinge was among the most affected areas by this cyclone leaving many displaced, others in need of food and area in extreme poverty (Chatiza, 2019). Recently cyclone Idai and El Niño left a trail of physical, emotional and economic destruction in Chipinge again. Such natural disasters induced by climate change are a double blow to an already drought stricken area such as Chipinge. It has an altitude of 1131m and has a population of over 25 214 people. The average annual temperature in Chipinge is 18.7°C. The rainfall averages around 1 133mm per annum (Harris et al, 2001).

Despite the climate change shortcomings, Chipinge's climate favors tea, bananas, macadamia nuts, and coffee plantations. Apart from these plantations it accommodates traditional grains such as millet, sorghum and rapoko which are drought resistant crops. The agricultural capacity of Chipinge cannot be reemphasized if small grain fail they can always fall back to the produce in the plantations. For instance, an estimated 4 584 hectares are under Macadamia in Chipinge. The district has potential to double hectares in five years, given adequate financial and material support (Chinzou, 2018). Youth therefore, have remained adamant by the call to be the pivot for food production in Chipinge while in the face of erratic climatic conditions such as cyclones and El Niño. The role of youth in food security is essential given that they have the energy, knowledge and skill all that is required is support from various stakeholders.

Nonetheless, the Nyerere and Paulo Friere approach adopted in the research to further youth empowerment involve giving skills that liberate the mind and make the youth aware of their traditional energies respectively. Nyerere posits that one should not teach people how to grow beans but people should be taught the nutritional value of beans while Friere is of the idea of conscientisation (Mulenga, 2010). The approach will allow youth to think out of the box towards sustainable development by finding better ways to protect



their environment and guarantee food security. Moreover conscientisation of development theories like bottom-up approach will encourage despaired youth to do more from the grassroots levels not only to expect change to come from the top e.g. government or donors.

### **PROBLEM STATEMENT**

Chipinge district is an area rich in cash crop production and traditional small grain but is one of the drought prone areas of Zimbabwe. However, youth in the area have turned a blind eye to the effects of climate change in the area despite the potential Chipinge has in its natural setting. There is more that the youth can do to mitigate climate change effects as leaders of now and guardians of tomorrow. Convinced with the yawning gap between the youth and the environment, the researcher, had the urge to bridge the gap through the article.

### **RESEARCH METHODOLOGY**

Qualitative methods were used informed by desktop analysis. The preference for the qualitative approach is justifiable given the nature of the article which explores life and experiences from the subjects' point of view. Qualitative research involves empirical material use and collection such as case study; personal experience; introspection; interviews; textual interpretation of problematic moments and meanings in individual lives (Denzin & Lincoln, 1998) on blogs and the internet in general.

### **YOUTH REACTION TO FOOD SECURITY AND CLIMATE CHANGE IN CHIPINGE**

Many youth in Chipinge district are unmoved in harnessing development potential in the area amid climate change. The research through virtual interviews and desk research gathered various reasons behind the position by these youth. The government is not fully supporting the youth projects in the area, many are not land owners, and youth themselves have lost hope in the area after a series of natural disasters. Furthermore, the researcher through synopsis analysis noted that the youth are accustomed to handouts as well as maize as staple crop while most are not pro-farming as they view it as traditional.

The youth don't have the capacity to fully utilize their land that is those few with pieces of land. The types of crops in Chipinge require advanced machinery or labour especially with crops like tea, coffee, bananas and macadamia nuts. In most cases the youth who have access to land don't have large pieces to operate on as well as the labour or machinery to embark on cash crop farming even on small scale. For example tea farming requires lots of labor, fertilizer and machinery (Dube, 2014). More so, youth focus on traditional small grains is not significant as some don't take farming seriously but pride themselves on ownership of farms that produce nothing towards food security hence making youth high risk cases to government assistance schemes like command agriculture and government input program.

Furthermore, youth in Chipinge live in constant social and environmental fears. The youth have been accustomed to maize as it is the staple crop thus they fear to lead the change of the country's staple crop hence small grain farming is not seriously done. After cyclone Eline, el Nino effects and cyclone Idai their other fear is the possibility of another natural disaster to strike again. Understandably, the youth have lost hope in their area for that reason they are reluctant in investing much of their energy, knowledge and skill into ensuring food security as well as minimizing effects of climate change in Chipinge. The fears have done no good as they have triggered an impulsive get rich quick mindset among youth preferring illegal artisanal mining (chikorokoza) that does more damage to the environment over agriculture. Agriculture takes at least 4-5 years till it becomes profitable thus patience and consistence is valuable for cash crop farming for example macadamia nuts need 4-5 years to reach competitive value (Manica Post, 2020) .

The political environment in the country has also contributed in Chipinge youth folding arms on climate change as they have more focus on the need to change the political system (Zimbabwean Independent, 2019). Politics of the stomach has made society to be selfish and poor as Africans. In Chipinge district food handouts by government and organisations has become the norm of the day however, the distribution is questionable. The Platform for Youth Development (PYD) in Chipinge has observed that politicizing of food



aid after the cyclone Idai has negatively affected women and children (Platform for Youth and Community Development Trust, 2019). Food aid is necessary for emergency cases but in the long run it seeds a syndrome of dependency in the society and this is the problem that the youth in Chipinge have since they are accustomed to food aid.

## **RECOMMENDATION AND CONCLUSION**

The impact of climate change in Chipinge is devastating thus calls for combined effort between communities specifically the youth and the policy makers. Devolution, good governance, unity of purpose and appreciation of small grain through adopting traditional ways like communal collaborative (Nhimbe), would ensure food security even in this period of adverse climate change effects. However, youth's positive response to food insecurity in Chipinge is of essence for sustainable food production and mitigation of climate change effects.

Firstly, devolution will push provinces to be self-reliant and secure their own food through harnessing fully their areas as well as their potential (Ali, 2019). Looking at the agricultural capacity of Chipinge, the district can actually produce traditional grain for other provinces, be the biggest exporter for macadamia nuts, coffee and bananas in the country if it is well harnessed. In turn such effort will plough back to the betterment of Chipinge creating youth employment, improving disaster alert systems and even boosting disaster funds. This will go a long way to reduce food insecurity in the face of rapid change of weather patterns causing floods and cyclones that threaten food production and availability in the district.

More so devolution would also trigger good governance in the area through rural integrated development. Rural integrated development is a holistic engagement approach of all sectors of development from individual, ward, district, province up to national level (Geyer, 2006). Good governance involves managing of institutions and resources to address society affairs for development (Kaufmann, 2005). Good governance through the rural integrated development approach will benefit Chipinge youth to be supported in their various sustainable projects that mitigate the effects of climate change from different levels starting off at the grassroots levels in wards, village, district, province and such development may influence up to national level or beyond. As well, good governance will ensure politicians are accountable towards to community resources promoting sustainable development in the process. Henceforth, issues like politics of the stomach will be at minimal thus people will vote for leaders that are not rhetoric towards initiating development.

Furthermore, unity among youth is highly recommended in Chipinge. Unity on its own brings about development (Chingwaramusee, 2018). Youth in Chipinge like youth elsewhere usually avoid forming development syndicates due to the fact that they are disunited sometimes for various reasons. However, if the youth could unity for purpose of development, Chipinge would achieve more with its natural resources and youth. For instance, some youth have access to funding, some have pieces of land, and some have knowledge and skill, if youth could combine efforts food insecurity and climate change effects would reduce greatly.

In as much as we are being Europeanized youth should not look down upon some traditional practices such as communal collaborative (Nhimbe). In the process of modernity we have stepped on our cultural practices instead of carrying them forward, embrace them and make them relevant to our time. Such practices reemphasize the need for unity of purpose as we glance across the Zimbabwean boarder, the Ujamaa of Tanzania; Umurenge Saccos of Rwanda have made communities in these countries build better relations among each other, boosted agriculture in these countries.

Agricultural insurance to young famers might encourage young farmers to invest their skill, labour and small pieces of land towards food security. Agricultural insurance covers agricultural risk such as droughts, floods or diseases that may affect the agricultural outcome (FAO, 1992). For example in Ghana as well as India insurance has transformed smallholder farmers' planting behaviour, inspiring more investment in their





farms (Ramm & Steinmann, 2014), Chipinge farmers may adopt such insurance policies to spread the risk of these natural disasters at the same time it boost their energies towards professional farming that is sustainable.

In conclusion, climate change is a global phenomenon and its effect like food insecurity hit hardest on already vulnerable rural communities like Chipinge District in Zimbabwe. Youth in Chipinge have folded their arms allowing food insecurity to worsen in their area. Chipinge is an area that has been strike by various cyclones in the country hence it ' s marked as a drought prone area relying on food aid from government and NGOs yet it has the capacity to feed itself regardless of the climate change effects. Nonetheless, the youth have a role to play despite threatening effects of climate change given that Chipinge is an area rich in coffee, banana and macadamia nuts production as well as traditional grains.

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## **WOMEN SOCIOECONOMIC STATUS: THE REPERCUSSION OF ILLITERACY, CASE STUDY: CHARLOTTE, SIERRA LEONE.**

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### **ABSTRACT**

Illiteracy has affected women in Sierra Leone, by limiting their abilities to participate in governmental, domestic, and economic activities. As a result of the limited opportunities, women are faced with various challenges that impact their social livelihood. For example, women are deprived from making decisions in their homes because of low educational status. Sierra Leone has an adult literacy rate of 43.21%. The male literacy rate is 51.65% and the female literacy rate is 34.85%, creating a huge gap between both sexes (UNESCO, 2018). The impacts of illiteracy also affect youngsters, as early marriage takes the trend, and literacy programs become abandoned. This study examines the repercussions of illiteracy in the hamlet of Charlotte within Freetown, the capital of Sierra Leone. This study highlights the magnitude of the problem, the consequences of the problem, and make recommendations base on suggestions from the participants on how this problem can be resolved.

### **INTRODUCTION**

Illiteracy is the inability to read or write, or the actual or perceived state of being uneducated (Gibbon, 1781). The rationale of this term implies the possible consequences it can have on a person's social wellbeing. The first few years of a child's life sets the foundation for most of his adulthood decisions. The qualities and opportunities available during a person's years of early childhood will most likely affect the likelihood of them being literate or illiterate (Garcia, 2017). The incapacity of parents to afford education for their kids is most times backed up by the fact that they too did not attain primary education, which leads to not knowing the value of education (Isaacs, 2012). Older people who missed out on education at young age are most likely not receiving necessary financial support in their latter days, making it impossible to even foster their young ones to go further in the opposite direction. Literacy, which is just the opposite of illiteracy creates a versatile and broad spectrum for decisions making in the larger society (Lind, 2008).

Research has shown that the economic status of the family influences their means of receiving quality education (Lv., 2017). Based on previous research done, it was been proven that by age 6, 50% of children living in poverty are not prepared for school; a condition which may lead to backwardness in their educational life (Isaacs, 2012). These children often fall behind into social wayward activities, repeating the illiteracy cycle from their parents. High illiteracy rate is a national crisis that affects every aspect of development in a society and the broader economy as well (Garcia, 2017). The scourge of illiteracy has left social and economic stain in every society (The National Academics of Sciences. Engineering. Medicine, n.d).

The need for girls to receive primary education has been on the table for centuries. Between 1800-1849, Bradford Academy in the United States, was the first higher educational institution to admit women to school in Massachusetts, and later became exclusively for women (Lewis, 2019). But even so, research has shown that women illiteracy is still an unsettled issue around the world, especially in developing countries (Kelleher, 2014). The Women World Study (2015), found that 496 million women are still illiterate, setting a hindrance for achieving the global goal of gender equality by 2030. Nearly two-third of the world's illiterate adults are women, a proportion that has remained unchanged for the past 20 years (Ford, 2015).

### **BACKGROUND**

Sierra Leone as a republic was created by an English Humanist, Granville Sharp to repatriate former slaves; a multi-ethnic and multi-religious group of People. The country got its independence on April 27, 1961 from the Great Britain and its first Prime Minister was Sir Milton Margai. Sierra Leone is a small country with just



over 7 million people (World Bank, 2018), consisting of 190 constituent chiefdoms (Chiefdoms of Sierra Leone, n.d), and a composition of 16 different ethnic groups (Ethnic Groups in Sierra Leone, n.d). Its immediate neighbors are Guinea, with whom she shares boundary to the north and north-east, and Liberia to the south-east. It is bordered on the south-west by the Atlantic Ocean. For administrative purposes the country is split into three provinces and a fourth unit, formerly the Colony, now called the Western Area (World Bank, 2018).

Charlotte, which is located within the urban Western Area along the Youyi Highway serves as the case study for this paper. It is approximately two miles out of the capital city, Freetown. Charlotte was created in the year 1817 AD to serve as a habitat for liberated freed Africans, the hamlet was named after Princess Charlotte of Wales (Ecosalone, 2016). Individuals in this area are mostly self-employed by doing small scale farming and other commercial activities, such as selling food, or doing land/construction care-taker jobs. The population of Charlotte is almost entirely from the Creole ethnic group (Visit Sierra Leone, 2010).

### **STATEMENT OF THE PROBLEM**

Amongst the key findings of the Organization for Economic Co-operation and Development (OECD), in most low-income countries, young women are less likely than young men to be in paid work. They are also less likely to complete secondary education (OECD, 2015). 34.85% of women in Sierra Leone are illiterate (UNESCO, 2018). The repercussion of illiteracy is hindering women from making financial contribution in their homes and hampering them from partaking in decision making while using them as instrument for fecundity in the hamlet of Charlotte (Zielinski, 2015).

### **RELEVANCE**

This study focuses on the underlying drivers of high illiteracy rate in Charlotte. Previous studies in Charlotte have been mostly focused on environmental issues. Hence, this paper has set the benchmark for future evaluation in highlighting issues that can indirectly cause environmental problems. The rate of illiteracy in Charlotte has some long-term effects, and if it isn't dealt with now, can set as a hindrance to achieving the Sustainable Development Goals.

### **RESEARCH QUESTIONS**

Sierra Leone is one of the countries in the world with the highest illiteracy rate (education.stateuniversity.com, n.d). The country's overall adult literacy rate increased from 34.8% in 2004 to 43.2% in 2018 growing at an average annual rate of 13.18% (World Data Atlas, 2018). This present case study seeks to understand the consequence of illiteracy on women in Sierra Leone by examining Charlotte, a hamlet in the country.

The present study is guided by three research questions, as follows:

- What is the percentage of educated women against uneducated women in Charlotte?
- How do economic activities affect the social livelihood of Charlotte women?
- What is the age distribution and fecundity rate of women in Charlotte?

### **DELIMITATION**

The population size of the study area was based on the Western Area Peninsula reports acquire from the World Wide Web, as it was difficult to get past literature on Charlotte from National Institutions.

### **LIMITATIONS**

Interaction with the participants during the interview was a bit difficult because of the native krio language and their inability to speak the English language. The Researcher also faced difficulties in gathering information from the Statistician General Office due to lack of confidentiality (being that the researcher is a foreigner). There isn't much information on the web about the population of Charlotte, and this office is responsible for national census, hence information used for describing the population was gathered through interview with the participants.



## **LITERATURE REVIEW**

The foundation for the present status core for African Women, was instituted by a Eurocentric educational body during colonialism. This system of governance was designed to prioritize the male gender, to nourish them for the seat of governance, thus giving leadership edge to one gender (Oyewumi, 2002). The voices of Sierra Leonean women are ignored in the debate of their own sexual and reproductive health. The country faces several problems regarding various forms of sexual violence, including domestic violence, sexual assault, all forms of rape; women also suffer from genital mutilation (USAID, 2019). Low level of education has caused inability for women to obtain a better job, and earn more money (Sidh., et al. 2011).

There is no chance of reducing poverty without huge and speedy improvements to the well-being of women and girls globally (OECD, 2015).

## **SOME FACTS ABOUT GIRL'S EDUCATION (FACT SHEET, 2013)**

Educated Women are less likely to die in childbirth.

Educating Girls can save millions of lives.

Mothers' education improves child nutrition.

Girls with higher levels of education are less likely to have children at an early age.

Educating Girls is a key factor in hastening the demographic transition to lower birth rates.

Girls with higher levels education are less likely to get married at early age.

## **WOMEN EDUCATION IN SIERRA LEONE**

While some societies have experienced the fast-growing eradication of poverty from family lines through educated women, other societies still refuse to value these impacts (Puri, 2017). The government of Sierra Leone continues its fight against poverty, even as it struggles to deal with other significant issues like access to electricity, environmental hazards, disease outbreak (biological weapons) and other vices. But in the midst of all their crucial circumstances, women issues are on their priority list. In 2019, the first lady of the Country launched a campaign against rape (known as “Hands off our Girls”): a campaign meant to send caution to male abusers that find pleasure in sexually assaulting and harassing young girls (Sierra Leone State House). Alongside the Government of Sierra Leone, the Girl Child Network, a non-profit organization that works around the globe, has been able to implement the Girls Empowerment Villages project: an initiative that provide safe places for abused girls. The United Nations Children Education Fund (UNICEF) is another non-governmental organization that is supporting girls' education by providing annual support for girls' education week: which is run by the Ministry of Education. The effect of these ongoing events, as assessed by the Global Partnership for Education (GEP), have shown that the gender gap between primary enrollment and primary completion rate has decreased since 2012 (Montbleau, 2018).

## **METHODOLOGY**

An impactful research design is intended to create a minimum bias in data and increases trust in the factuality of data collected. A qualitative research design was used for this study. When undertaking research, there are two kinds of data mostly available, primary and secondary. Primary sources cover observations, interviews, and questionnaire results, while secondary are previously published documents within the nature of your study (Kumar, 2011). Review of published related research papers, qualitative questionnaire and inductive reasonings were all patterned to formulate the desired evaluation of the research questions. To ensure more accurate data, an open-ended qualitative questionnaire was developed to meet the needs of the research questions. As referenced in the Appendix, the questionnaire answers the research questions and was utilized to acquire the results. The questionnaire being used in this study was examined and approved by one of the country's University (Njala). This questionnaire was open ended: some questions were not placed on the checklist, but information was gathered through discussions, like daily income, number of houses in the hamlet...etc.



## SAMPLING

The Western Area (WA) covers a land area of 557 km<sup>2</sup>, it is then divided into two districts (urban WA and rural WA), and further divided into 16 sub-districts. Charlotte is within one of the 16 sub-districts, along the Youyi Highway. Charlotte might just be approximately 5% of this land area. The total population of the Western Area (WA) is 442, 951 (Statistic Sierra Leone, 2015).

The population of Charlotte was approximately assumed by the participants as over 500 in numbers. 50 persons were used for the study through a random sampling design. Further stratified random sampling was made to target Women and Girls from age 18 to 45 in Charlotte. Interview was carried-on through group discussion and individual interview. Research participants privacy was protected based on ethical principles; these principles extended to all people regardless of their occupation, age, religion or educational status.

## RESULTS AND DISCUSSIONS

Results of the questionnaires use in obtaining raw data from the target sample of 50 females in Charlotte and a chartable representation will be presented here. Analysis will focus on (i) the fecundity data (ii) their educational levels and (iii) the socioeconomic factors. This will follow an overall conclusion on other basic facts collected, like the way forward and recommendations that were proposed by the researcher, based on suggestions given by the participants.

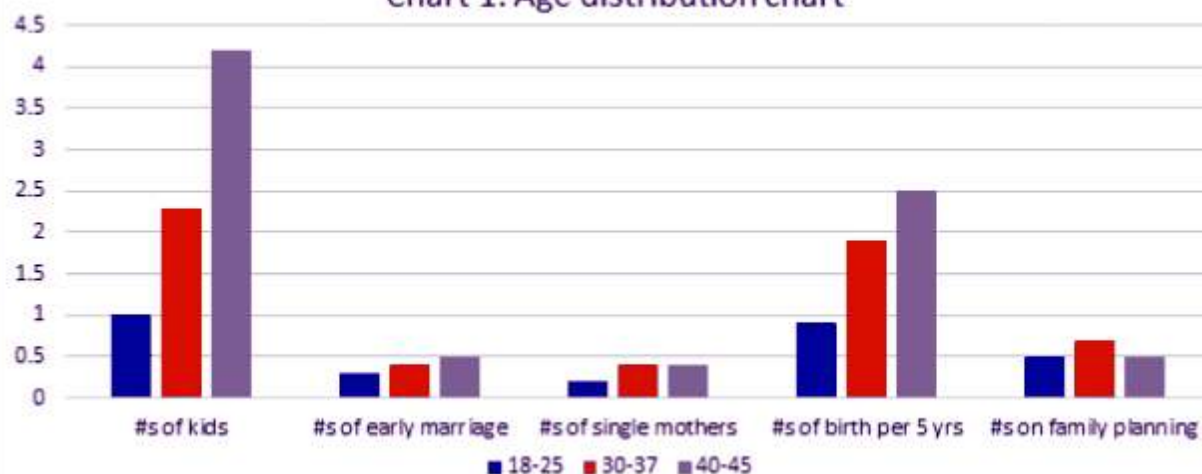
## AGE DISTRIBUTION

As stated previously, the research statistics comprised of 50 target participants and a comprehensive-qualitative method for data collection was utilized. A descriptive statistic was use, since the research target was only 50 females between age 18-45. The age groups were classified as follows:

- 1 **18-25 years old:** This cohort was made up of 19 females, which represented 38% of the sample. This age group was easier to converse with and were able to understand the need to engage in some form of literacy program (for those that were not already schooling). Because of their more complex thinking they understood and weighed the immediate rewards of education against future consequences. Five were 18 years of age, five were 20 years of age, six were 23 years of age, and three were 25 years of age in this cohort.
- 1 **30-37:** The group of individuals found in this age range constituted of 17 persons which valued 34% of the sample. Females in their Prime are on a self-evaluation trend, they are capable of switching path in order to enhance their future (Jones, 2020). For this section: four were age 30, one was age 31, three at the age of 33, two at the age of 35 and seven were 37 years of age.
- 40-45:** The middle ages represented the lowest value of the target group, 28%. 14 Women who seemed a little bit older than their age (poverty stress can add years to the age of individual immune system cells (Woolston C., 2020): causing your physical body structure to wrecked up) was able to give much information on their cause of not being schooled: which was mostly due to low finance. Three were 40 years of age, two were 41 years of age, three were 43 years of age, two were 44 years old, and four were 45 years of age in this group.



Chart 1. Age distribution chart



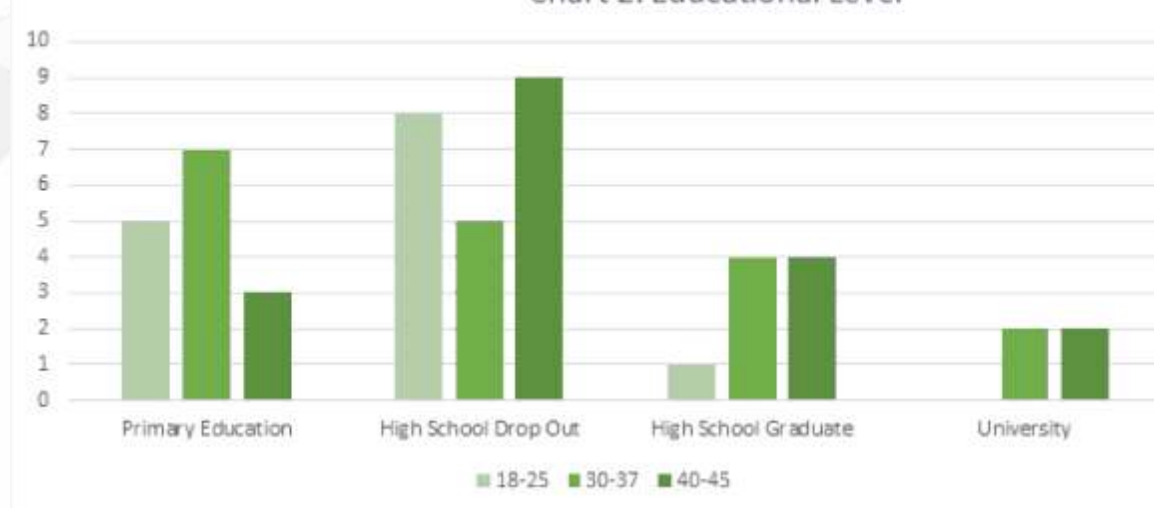
As can be seen from above, the cohort of age found between 40-45 are the most active in child bearing. This is as a result of no alternative social livelihood besides doing their small-scale businesses. Through data collection, it was stated by an elderly respondent that during the previous years, when the sun went down, and there was nothing else to do, having sex became their social alternative activity. Age 30-37 would have been on the same path, but through the introduction of family planning, the numbers were reduced for these prime ages. From the evaluation process, it is shown that the youngsters are much better off than all the three groups and with the amount of time in their favor, better decisions can be made.

## SOCIOECONOMIC FACTORS

Socioeconomic factors cover three major areas: education, occupation, and income (pdhpe.net). The factors combine the total measure of a person's work experience, and a family's economic and social position in relation to others. When analyzing socioeconomic factors, the household earners, earners' education, and occupation are examined (Socioeconomic status, n.d.).

**Education:** 30% of the females interviewed were primary school drop-out, mostly between primary three to primary six; 44% of them were high school dropout, this seem to be the highest level of education that much of them attain. High school graduate and University students made up 18%, and eight percent respectively. Majority of the population that are found between age 30 to 45, that happens to be High School Drop Out, sees it difficult to return to classes because of their mother hood responsibilities, and the fear of being seated amongst children that are at their kids' age range.

Chart 2. Educational Level





**Occupation:** Only about 38% of the female population in Charlotte is bringing in household income. And the source of income for 98% of these Women are small scale community trade; which indicate that they are bringing less than SLL 100,000 Leones (approximately USD \$13) per month. Due to low level of education, they are unable to obtain a better job and earn more money (Sidh., et al. 2011). This situation affects their ability to claim their rights to decision making in their homes. From the 50 targeted Women, the questionnaire proves only ten ladies were earning money from their vocational skills.

**Power Supply:** The Charlotte Village Health Center and the house of the community chairman were the only places with electricity during the researcher visit to this community. These two sites use the solar panel renewable energy source.

**Construction of community roads:** Charlotte with its vast mountainous view and a whole lot of sparsely deforested forest, is very undeveloped. The hamlet is accessible but the quality of road is degrading.

With the presence of a community health post, Women in Charlotte has access to health care. The hamlet also benefits from the stream that passes through the middle of the community, making it less difficult to get water. Findings also convey that a Woman previously served as head of Charlotte over the past years.

## CONCLUSION

Gender inequality in Sierra Leone is still high, even though there are measures being developed to hamper the effect. Women are still seen as sex instrument to men in Charlotte. The problem of illiteracy in the hamlet of Charlotte can be dealt with through enhancing and empowering the women population. Illiteracy has led to a normalized state of poverty and marital maltreatment for Charlotte women. Low economic status of rural families is the major cause of secondary school drop out in the country. The Ministry of Education (Sierra Leone) needs to promote adult literacy programs and provide identity protection for enrolled adults. Considerations and support need to be hastened, for progress in the process of combating illiteracy in Charlotte, Sierra Leone.

## RECOMMENDATIONS

When women have equal opportunities in society, they can help in creating liberty for their fellow Women. Women with access to reproductive health services find it easy to break out of poverty, while the literate ones are best at using birth control, in order to regulate the population growth (Obaid, n.d). Illiteracy rate amongst Women in Charlotte can be changed by:

- 1 Assessing the baseline cause of Illiteracy amongst the Women in Charlotte. To ensure and hasten change in Charlotte, there's a need to understand the root cause of the issue. From data obtain through the questionnaire, it has proven that one major driver of illiteracy is high fecundity rate.
- 1 Starting a literacy program with the youngsters. It has been proven based on the data obtained through the questionnaire that vocational education pays off, and it is the major source of income for Charlotte Women.
- 1 Creating Social Alternative livelihood: the lack of alternative livelihood has led to idleness. Idleness, has made sexual activities to become an alternative livelihood. Hence, through the creation of social alternative livelihood, fecundity rate can be reduced, which will lead to lesser numbers of kids to provide education for.
- 1 Promoting Family Planning. By slowing population growth through the use of family planning, lower income family can satisfy their sexual desire, without getting pregnant. When unmet pregnancies are minimized, benefits like: more years for education, delayed marriage and child bearing can be achieved.





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## QUESTIONNAIRES

Women Socioeconomic Status: The Repercussion of Illiteracy, Case Study: Charlotte, Sierra Leone-  
Checklist.

This checklist was designed to collect data from the People of Charlotte, to carry on a research which tends to analyze the causative factor for low socio-economic livelihood of Women in Charlotte. These questions will be use to understand the community dwellers perspective in dealing with the population growth in Charlotte.

The questions within this paper are design in sections that requires your opinion on:

- The daily socio-economic activities and fecundity rate of Women in Charlotte.
- Critical issues that are hindering Women access to education in Charlotte.
- Point out major happenings and way forward in addressing them.

This report will serve as a reference for this manuscript and several other related paper works.



|  |                           |
|--|---------------------------|
| DEMOGRAPHIC QUESTIONS  |                           |
| Identification Number:   | Date:                     |
| POB:   | Time Spent in Charlotte:  |
| Marital Status:  | Single Mother?            |
| Age:   | Sex: M/F Tribe: Religion: |
| Household Size:  | Census/Amount of People:  |
| Age of your first Child?   |                           |
| What's the birth to death rate in this area?   |                           |
| What's your take on overpopulation in Charlotte?   |                           |
| What's your main source of livelihood?   |                           |
| How long have you been doing this?   |                           |
| Do you have a farm?  |                           |
| Which of these farms do you have (Subsistence / Commercial farms)?   |                           |
| Do you have power supply for energy generation? (Yes/ no?)<br>If yes, from what source (a) Government (b) Personal (generator/ Solar energy panel) (c) Others specify  |                           |
| Do you have constructed roads for vehicle passage within the community? (Yes/ no?).  |                           |
| SOCIOECONOMIC FACTORS  |                           |
| What is your daily routine?  |                           |
| Leisure Activities?  |                           |
| Which of the following is present in this community? (a) Football field (b) Cinemas (c) Night clubs (d)_Others specify<br>How many of each of the recreation are present?  |                           |
| Which of these other social assets you have in your community? (a)Health centers (b) Schools/ vocational center (educational function) (c) Churches/ mosque (Religious function) (d) other specify.<br>How many of the social assets mentioned are available each? |                           |
| AWARENESS  |                           |
| What's your level of education?  |                           |
| Are you aware of the risk and effects of illiteracy?<br>If yes, what are some effects known to you?  |                           |
| Are you aware of early childhood marriage?<br>If yes, what are some ways you know that quality education can stop that?  |                           |
| Was there a previous study in this area.....if Yes, by Whom?   |                           |
| NOTES  |                           |
|  |                           |



# POWER IS NOT SERVED AS A LA CARTE: RETHINKING THE SOCIAL CONTRACT IN NIGERIA

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## ABSTRACT

Social contract is central to the provision of public goods and social welfare. Good governance among other things derives from strong institutions of government and citizen engagement in the political process. This study focuses on reshaping the relationship between the government and the governed in Nigeria. Using functionalism theory, the paper argues that political and economic success is not automatic in a democracy but proportional to the extent that the people can hold their leaders accountable. The study concludes that changing the prolonged ethnoreligious narrative is critical to development and growth in Nigeria as the people are more united by their socio-political and economic problems than they are divided by their ethnoreligious differences.

**Keywords:** *Social Contract, Government, Ethnoreligious.*

## INTRODUCTION

The agreement between the leaders and the governed is one of the underpinnings of modern democracy. This study focuses on the relations between the government and the governed in Nigeria. The social contract can be traced to the intellectual revolution of the Enlightenment scholars like Thomas Hobbes, John Locke, and Jean Jacques Rousseau who popularized the notion of the rights of the citizens in relation to their rulers, thereby heralding the attempts to curb the excesses of those in power (Riley, Goldie and Wokler, 2008). This idea which is grounded on the symbiotic recognition of the responsibilities of the rulers to their citizens and vice versa, displaced monarchical absolutism in Europe during the period, paving ways for the constitutionalism and republicanism that subsequently followed.

The word 'rethink' means to consider or assess (something, especially a course of action) again, especially in order to change it (OALD 8<sup>th</sup> ed.). This implies having a deep reflection over an issue perhaps a problem with a view to proffering a solution. The world has witnessed several situations in which socio-economic conditions triggered a careful rethought of the concept of the social contract in many countries. For instance, in Latin America, political corruption, social inequalities were among the string of factors that triggered the call for political change as well as institutional reforms in Chile, Bolivia, Columbia, Brazil, and others in the late twentieth century (Weipert-Fewner and Wolf, 2019). Similarly, in North Africa and some parts of the Middle East, prolong political alienation, autocracy, corruption, and poverty brought about regime change as well as political reforms during the popular Arab Spring in 2009 (Acemoglu and Robinson 2012).

In Nigeria, there are genuine concerns for a rethink on the agreement between the government and the governed. For example, Karl Maier in his famous book, 'This House has Fallen,' observed that the democracy which Nigeria has enjoyed since its return to civilian rule, was not born out of the dictates of the Nigerian people rather it was configured according to the intentions of the 'Boys from the Barracks' (Maier 2000). This situation contrary to popular democracies in the US and western Europe made the people a derivative of political power rather than making political power a derivative of the people. Similarly, Isumonah and Agbaje (2001) were of the view that by the time the military handed over power to the civilians in 1999, they bequeathed a highly centralized system to the country such that true political power did not rest with the people rather it rests with whoever emerges the leader at the centre. This almighty leader according to them is to control the major instruments of social mobility such as education, socialization, and security. The reality is that the most important document that produced the democracy in Nigeria, i.e. the 1999 Constitution, is not a product of the intentions of the Nigerian people but from the whims and caprices of the military elite who birthed the 1999 civilian transition, as there was no constitutional conference nor a



constitutional drafting committee before the transition (Ogowewo, 2000). Consequently, the key components of civilian government namely the relationship between the federal and state governments, the salaries of public officials, the relationship among the three arms of government as well as their composition, and others were not decided by the Nigerian people. This situation has engendered cronyism, ethnic politics, corruption, weak institutions, a penchant for the looting of the public treasury, massive poverty, and underdevelopment.

## **ETHNICITY, RELIGION, AND IGNORANCE: A TRIPOD**

### **Ethnicity**

Danjibo (2013) is of the view that ethnicity is too fluid a concept to be encased in a single definition. To buttress this point, he cited the case of the Yorubas of southwestern Nigeria who see themselves at the macro level as an ethnic stock when contending with the Igbos of the south-east, and Hausa/Fulani of the north. However, at the micro-level, the same Yorubas see themselves as belonging to different ethnocultural identities such as Egba, Ijebu, Ife, Ijesha and others. Perhaps the three academic leanings of ethnicity attest to the perspective that ethnicity as a concept is neither 'here nor there'; but always in a state of flux. These three theories are primordialism, constructivism, and instrumentalism.

Primordialism: this school of thought has it that ethnicity is given at birth and is largely unchangeable. Geertz (1963) believes that ethnicity stems from been born into a particular religious community, speaking a particular language, and following particular social patterns. To this view, ethnic identity is tied to culture. Constructivism believes that ethnicity is a product of human construction. Ranger (1991) in his history on the role of missionary and colonialism in the making of ethnic identities in east and central Africa, observed that it is the people who designed ethnicity as an identity badge. For Instrumentalism, ethnicity is an instrument which the elites manipulate for their selfish gains. Osaghae (1998) shows how ethnicity has continued to be used as an instrument of political mobilization in Nigeria. Also, Chazan (1999:108) is of the view that ethnicity is central to group formation and political organization by the elite.

### **Religion**

Harrison (2006) in her work, 'The Pragmatics of Defining Religion in a Multicultural World,' pointed out the obvious among scholars of religion which is the fact that religion is one of the highly contentious subjects. Relatedly, Lampe (2014) made a corresponding submission on the same issue. However, Harrison (2006) believes that the family resemblance approach which is based on Wittgenstein's 'language game theory' is a more pragmatic attempt at conceptualizing religion, though the view is not entirely unproblematic. According to Ludwig Wittgenstein, as cited in Harrison 2006, the word 'game' can be used to define certain concepts which do not have a single essential defining feature. He maintains that there is no common feature to all games rather similarities and relationships. If one considers any feature that some games possess, the person will find that some other game does not possess it. For instance, if one according to this view, agrees that all games are marked by competition, there is a card game called Solitaire which is not competitive. Religion is one of those concepts that does not possess a single defining characteristic - there is no one way to it. Although this definition accommodates the complex nature of religion as it encompasses all religion such as Judaism, Christianity Islam and others, Harrison has argued that if we regard as religion anything that has some common feature with standard examples of religion, then religion as a concept will have such a wide scope that it may be analytically useless. Moreover, she believes that there will seem to be a host of resemblance between 'religious' and 'circular' beliefs system.

### **Ignorance**

According to Mueller (2018), ignorance is a useful element in social relations. Similarly, Gross (2012) believes that 'not-knowing' is critical to many types of everyday relations, and human-decision-making rotates around the orbits of knowledge and ignorance. Ignorance has been conceptualized as the twin of knowledge and not the opposite of it - a social fact and a productive force in its own right, and not simply a precursor or an impediment to knowledge (McGoey, 2012 and Mueller 2018). However, it is important to



stress that the type of ignorance discussed here is ignorance as a precursor or an impediment. From this standpoint, ignorance can be useful or destructive when it is mobilized for cultural, economic, institutional, or materially motivated ends.

In the case of Nigeria, a country with a diverse ethnic and religious population, ignorance serves the narrow interest of the political elite. The narrative of ethnicity and religion administered through ignorance aids the divisive purpose of the political elite enough to allow massive looting of public treasury, corruption, lack of basic infrastructure, and others in Nigeria. It is interesting to observe the irony that the same members of the political elite who manipulate and exploit the people through their ignorance by cementing ethnoreligious narrative would all converge irrespective of their ethnoreligious and political divide to felicitate one of them at a social function as was the case during the wedding of the daughter of former President Goodluck Jonathan. Sadly, there is also the case of the enlightened form of tribalism which prevails in the ivory towers and public spaces in Nigeria perpetuated by 'those who should know better,' whereby appointment and promotion are based on 'where you are from' and not on merit. A situation which made Achebe (1983) to observe that "nothing in Nigeria's political history captures her problem of national integration more graphically than the word tribe in her vocabulary".

However, Besley and Reynal-Querol (2012) have demonstrated in their study on conflict in Africa that narratives matter. Similarly, Acemoglu and Robinson (2012) have highlighted the importance of social narratives in the success of popular democracies of the U.S. and western Europe. In this regard, it can be categorically stated that ethnicity, religion, and ignorance constitute the tripod of Nigeria's underdevelopment, corruption, misappropriation of funds, looting of the treasury and others, and that the docility and prolonged inability of the Nigerians to rethink the social contract spring from this triad. Nevertheless, it baffles common sense how long the ethnoreligious narrative has been recycled despite its socio-political implications in contemporary Nigeria. It is important to note that before we were ever ethnic or religious, we were first humans. In fact, Ranger (1991) contends that ethnicity is a social construct. In other words, it can be acquired through socialization and not just by birth.

## **PEOPLE AND GOOD GOVERNANCE**

The term 'good governance' is associated with public sector reforms that originated from the World Bank in the 1990s (Keping, 2017). Although good governance is a contentious concept in that it has been variously defined as observed by Keping, yet there is a consensus on the fact that the concept derives its relevance from the context of misgovernance. According to the World Bank, governance means how power is exercised in the management of a country's social and economic resources. But good governance is epitomized by predictable, open enlightened policymaking, a bureaucracy imbued with professional ethos acting in furtherance of the public good, the rule of law, transparent processes and a strong civil society participating in public affairs. Poor governance, on the other hand, is characterized by arbitrary policy-making, unaccountable bureaucracies, on enforced or unjust legal systems, the abuse of executive power, a civil society unengaged in public life and widespread corruption (World Bank report, 1989).

This World Bank perspective is comprehensive; however, it can be inferred that its practicability is impossible without the cooperation of the people. Acemoglu and Robinson (2012) have argued that under a social contract that the government becomes the ultimate guarantor of public services and social welfare such as education, health services, security and others while the citizens support the government with the needed taxes to ensure their provision. According to them, the extent to which a country succeeds is proportional to the degree to which its citizens are willing to hold their leaders accountable. From the foregoing, it is clear that good governance is not an accident nor some altruistic actions of some politicians rather, a deliberate choice of the citizens who are ever willing to hold their leaders accountable at every point in time. However, this is not the case in Nigeria where an average citizen is a 'local government' on his own: providing his electricity, water, security and other social amenities by owning a generator, constructing a borehole and the likes, while the political class earn monumental salaries and allowances such that the legislators recently they ordered some 400 units of 2020 model of Toyota Camry from the US as their official cars at the exorbitant rate of





25,000 USD per one in total disregard for the Nigerian made Innoson brand (Johnson, 2020). The implication of this scenario, is poor education, weak infrastructure, unemployment, inadequate security, and others.

## **FUNCTIONALISM THEORY**

Functionalism theory also known as structural functionalism as advanced by Herbert Spencer, Emile Durkheim, Talcott Parsons, and Robert Merton, believes that society is made up of interrelated parts that must work together for the stability of the whole. These parts of the society refer to the disparate political, economic, and social institutions designed to perform a specific function for the betterment of the society (Mooney, Knox and Schacht, 2007).

However, this theory which studies the cooperative relationship of the institutions of society argues that a change in one of these institutions would invariably result in changes in others. For example, as a result of changes in technologies, colleges are now offering more technical programmes and many adults are returning to school to learn of this new set of skills required at the workplace. Thus, the theory emphasizes the interconnectedness of human society focusing on how each part influences the other and vice versa. Mooney et al highlight how the theorists used the terms, 'functional' and 'dysfunctional' to explain the effects of social elements on the society. While elements that are regarded as functional contributes to societal stability, dysfunctional elements do the opposite. Some elements can be both functional and dysfunctional at the same time. For example, crime is a dysfunctional element in that it leads to physical violence, loss of property, and fear. But it is also functional in that it can bring about awareness of shared moral bonds thereby increasing social cohesion.

This theory can be used to explain the dysfunctional nature of government in Nigeria in the light of its duty to the people such as to warrant a rethink of the social contract.

## **CONCLUSION**

There is a consensus among scholars that modern democracy thrives on the commitment to the social contract between the leaders and their citizens. However, Nigeria's socio-economic problems such as unemployment, insecurity, poverty, poor funding of education, shortage of basic infrastructure, and others in the face of abundant natural resources show that there is hardly any commitment on the part of the leaders to the pact. Most of the political issues such as lack of peaceful transfer of political power, electoral violence, cronyism, looting of the public treasury, high cost of governance owing to bloated salaries of political office holders, bribery, corruption, nepotism, and others uncover a profound need for Nigerians to reshape the relationship with their leaders to strive towards development and growth. Despite the call to rethink the social contract, it is important to observe that the ethnoreligious narrative as perpetuated by the political class constitutes a serious impediment to changing the status-quo-since the status-quo in Nigeria presently serve the interest of the political class and their cronies. Finally, there is a need for the Nigeria people to realize that poverty (which we are already the country with the highest number of poor people), unemployment, bad roads, epileptic power supply, poor healthcare system, hunger, and others do not discriminate among the ethnic or religious groups. Therefore, until Nigerians realize that they are more united by their problems than they are divided by their ethnic or religious groups this call might keep going unheeded.



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# ENGENDERING COMMUNITY PARTICIPATION OR CONTESTATIONS? EXAMINING THE MANDATORY COMMUNITY DEVELOPMENT AGREEMENT IN THE EXTRACTIVE SECTOR OF SIERRA LEONE

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## ABSTRACT

The African Mining Vision has engendered the introduction of mandatory community development agreement (CDA) into the legal framework of some countries in Africa. In 2009, Sierra Leone enacted the Mines and Minerals Act that obligates mining companies to invest in host communities. The study focuses on the Sierra Rutile CDA program's case in Sierra Leone. Extant scholarly works have largely explored the resource curse and voluntary corporate social responsibility. There are limited studies to unravel the new mandatory community development agreement. Thus, the purpose of this study was to examine the CDA in Sierra Leone. The results show that the CDA has engendered a consistent fund for community development. It has also empowered ordinary members of the community to determine the development program. However, it has created a new ground for contestations between the pre-existing local governance structure (traditional authority) and the newly created community development committee (CDC).

**Keywords:** *Community Development Agreement, Impact, Sierra Rutile, Mandatory*

## INTRODUCTION

Many African countries are undeniably endowed with natural resources. Despite their potential to improve the socio-economic conditions of their citizens, natural resources have not always had a positive impact on many countries. Resource-rich countries have instead been beset by conflicts, civil wars, and the Dutch disease (Arthur, 2014, p. 60). Since the 1990s MNCs developed the corporate social responsibility (CSR) approach to either pressure public anger or promote a public relation. Most CSR intervention does not necessarily address the major socio-economic problem in the affected communities. In an attempt to address this resource curse, the African Mining Vision was adopted.

The Africa Mining Vision (AMV) as a model for Africa's governance of natural resources was adopted by African Heads of States in February 2009. It has become the framework for developing the natural resource in the continent getting used by many African countries to reform their mineral policies, legal and regulatory frameworks and to harmonize their mineral policy strategies (Pedro, 2016). The key objective of the AMV is to promote "Transparent, equitable and optimum exploitation of natural resource to underpin broad-based sustainable growth and socio-economic development" (African Union, 2009). Meanwhile, since the middle of the 1980s, about 32 out of the 124 countries with mining sectors have globally enacted or modified community development agreements in their mining laws. This new phenomenon requires mining firms and the government to embark on socio-economic development in the communities in the mining areas (Dupuy, 2014, p. 201).

Sierra Leone enacted the Mines and Minerals Act in 2009. The Act makes provisions in Part XVI for Community Development. Mining companies are mandated in developing the communities where they operate. The mining companies must have a Community Development Agreements with Primary Host Community (PHC) if mining firm has an output of more than 1 million cubic meters per year from alluvial deposits, or for underground mining operations. The company must spend no less than one percent of the gross revenue amount earned by mining operations in the previous year. Terms of the CDA must be negotiated with the community and should address: social and economic contributions that the projects will make to the sustainability of the community; assist in creating self-sustaining, income-generating activities



such as the production of goods and services needed by the mine and community; consultation with the community regarding mine closure (Dupuy, 2014, p. 211).

The CDA is a tool to enhance community participation and consultation, manage expectations of involved parties, and ultimately maximize pro-poor benefits to impacted communities while helping to establish "social license to operate" for governments and industry. A CDA is considered to be "successful" when it achieved a stable base of local support for the project and has contributed to local socio-economic development (World Bank, 2012, p. 10). In contrast to the non-mandatory CDAs, legally mandated CDAs have the potential to enhance the redistribution of benefits from the mining companies toward improving the lives of the community people that are affected by the mining (Nwapi, 2017, p. 203).

However, since the Act came into effect in 2009, large and small-scale mining companies in Sierra Leone only started the implementation of the CDA in 2016. Since the CDA was introduced, there have been contestations between the preexisting local governance structure and the newly created community development committee. Traditional authority perceives the CDA as a scheme that aims at undermining their entrenched "custodian authority" by given substantial power to the CDC. There is no nexus between the CDA and the Local Council development plan. Members of the CDC are grappling with project management, procurement, and reporting skills. Existing scholarly works have largely focused on the resource curse and voluntary CSR. There are limited studies to unpack mandatory CDA in mining host communities. This study, therefore, examined CDA in Sierra Leone. A case study of the Sierra Rutile mining company was employed. The paper is structured into three sections. Section one explores the existing CDA debates. Section two provides a background of the CDA in Sierra Leone. The third section presents the main findings of the Sierra Rutile CDA program and offers concluding remarks.

## **EMERGING COMMUNITY DEVELOPMENT AGREEMENTS**

Globally, the Community Development Agreements (CDAs) are becoming gradually common within the mining sector. In another context, such agreements are referred to as the Impact Benefit Agreements, the Community Benefits Agreements, Memorandum of Understanding and Local Development Agreements. These agreements are considered as opportunities to make sure that mining leads to the development of local communities that are affected by the activities of mining (Nwapi, 2017, p. 203). Sierra Leone is among several countries (Kenya, Guinea, Mozambique, Nigeria, South Sudan) that have introduced the CDA provisions into law, mandating small and large-scale mining companies to go into agreements with their PHCs (Nwapi, 2017; Dupuy, 2014).

However, Nwapi (2017, p. 213-214) argues that the natural resource regimes in some of the countries have not adequately addressed the issue of how to identify communities that are qualified to enter into CDAs with mining companies and the representation of community actors in the CDAs program. This is what Conteh and Maconachie (2019, p. 233) assert in their study of Sierra Leone CDA that the legal framework of the country's Act of 2009, section 138, capture a particular term, Primary Host Community that underpins the process of 'inclusion' and 'exclusion' and of 'winners' and 'losers' in communities that are either directly or indirectly affected by the operations of mining companies irrespective of their location. Nwapi (2017, p. 208) contends that by limiting the rights to decide what constitutes the PHCs by the Local Council and mining companies, the Act of 2009 takes away the rights of the mining-affected communities to involve in the decisions that would have an impact on their livelihood.

Loutit, Mandelbaum, and Szoke-Burke (2016, p. 66-69) maintain that many of the mining agreements have provisions that make part of or all highly confidential, which constrains the ability of researchers to get hold of the full texts of the agreements. They argue that many mining companies' agreements do not make provision for the pre-negotiation with the affected communities that would create a platform for earlier negotiations. The decision-making responsibility in the community is largely dominated by the mining companies despite the increased trend demand of community actors to be fully involved in the management



of the mineral resources. As it is, most of the agreements do not make provision for the implementation and monitoring of the CDA (Loutit, Mandelbaum and Szoke-Burke 2016, p. 90).

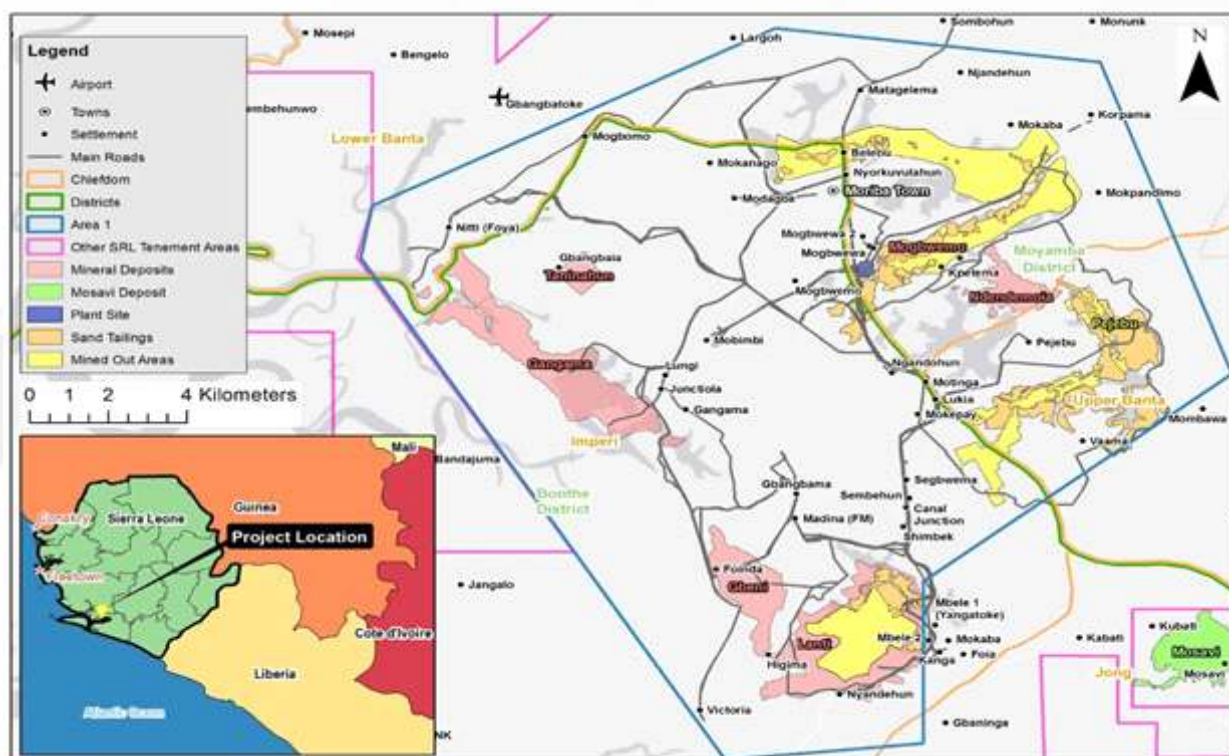
Dupuy (2017, p. 69) argues that a handful of community development in mining laws necessitate revenues from the operations of mining, such as taxes and royalty, to be allocated into funds and directly distributed back to communities that are affected by mining operations for socio-economic development. While these funds have been created with good intentions, their ability to elevate mining affected-communities through social service, infrastructure provision, and increased incomes are constrained by local power dynamics. Fanthorpe and Gabelle (2013, p. 73-75) assert that the level of community understanding of the CDAs is entirely important to avoid elites captured of the process; who can be the only ones that have an understanding of the terms of the CDA. Mining host communities are at a major disadvantage considering the low levels of rural education, the power of chiefs that resonates with the people and lack of information that prevent them from making decisions.

## METHODOLOGY

The utilization of a case study method was apt for this study. It helps the researcher to relate to the communities that are affected by the operations of the mining company (Yin, 2014). Case studies can do more than generate theoretical ideas. They can test theoretical propositions, and they can offer persuasive causal explanations (Rueschemeyer 2003, p. 318). The study employed interviews and field observation techniques to explicate the dynamics of the CDA program. A total of 15 respondents-government officials, NGOs/CSOs and community stakeholders were interviewed. Sierra Rutile mining company was selected as a case study.

Its operational area covers two districts: Bonthe and Moyamba within five chiefdoms: the Imperi, Jong, Bagruwa Upper Banta and Lower Banta Chiefdoms with a single CDA program.

**Figure 1:** Sierra Rutile Area of Operation: Locality Map for SR Area 1 SRK Consulting: Project No 515234 Sierra Rutile Limited.







## COMMUNITY DEVELOPMENT AGREEMENTS IN SIERRA LEONE

In Sierra Leone, the process of designing the CDA was as contentious as it was exclusionary. The mining-affected communities were not directly represented in the Working Group, and the political intrigues that happened during the negotiations demonstrate the challenges involved in such policy processes. It was apparent that the interests of some of the actors were completely conflicting to others, which seriously undermined the progress in developing the agreement and its final implementation (Conteh and Maconachie, 2019, p. 234). Members of the community are not well-informed regarding the status of mineral rights, the actual determination of the compensation payments linked to resettlement activities, access and use of land, benefit-sharing systems and the preparatory processes of environmental and social impact assessment (GoSL, 2018, p. 23).

The provisions of the CDAs in the Act of 2009 is concurrently "inclusive" and "exclusive", requiring mining companies to support communities that are affected as a result of their operations, at the same time, establishing an exclusion clause that confines companies' support to communities in 30 kilometers on their area of concessions. This inconsistency offers room for possible conflicts in mining areas (Conteh and Maconachie, 2019, p. 239).

Local communities cannot influence policy and governance of the minerals sector. Moreover, the relationship between communities and mining companies is complicated. This is not unconnected to the destruction caused by largescale mining operations to land extensive peasant economies; low demand for unskilled labor in large scale industrial mining operations; the recurring fear of communities that their political representatives are more interested in soliciting bribes from the mining companies than seeking their interests and the indisputable fact that communities have experienced very few direct benefits from mining (Fanthorpe and Gabelle, 2013, p. 54-55).

Despite the broad-based nature of the CDC executive, its formation by the government agency lacks transparency. This is emphasized by the Network Movement for Justice and Development, Head of the program that: "Even though we are one of the organizations behind the formation of the CDA as part of the Technical Working Group, we were hurriedly kicked out of the process during the formation of executive members in communities." This is not unrelated to the strong position against the National Minerals Agency (NMA) over the unfair nature of the election process. In some cases, to cast blame on NGOs' absence during the elections of the CDC executive, the NMA informed NGOs at the eleventh hour knowing fully that the invited NGOs would find it difficult to be there due to the impromptu invitation.

There is a lack of harmonization of the CDA and Local Council development plan. There is no nexus between development projects carried out by mining companies either within the CDA or the Community Development Action Plan (CDAP) or following CSR principles on the one hand, and development projects carried out by Local Councils within the Local Development Plan. These overlaps have created duplication of development efforts in some cases and even allowed for corrupt practices in others (GoSL, 2018, p. 44). There is no link between the CDA and the Local Council development plan (Interview with the Chairperson Parliamentary Oversight Committee on Mining, March 2019).

The legal and policy framework does not describe the roles and responsibilities of local actors in managing development at the community level. There is a tense relationship between Local Council authorities and Chiefdom Administration in the use of development funds that could undermine the effective implementation of projects (GoSL, 2017, p. 17). The Legal Advisor of the Ministry of Mines noted that "there is a disconnect between the Local Council and the community development plan. However, the new Mining Policy of 2018 proposed that the Development Planning Officer (DPO) of the council must be a member of the CDC to help with the designing and implementation of projects."

The process of establishing and carrying out the CDA has remained a disputed site shaped at an array of levels





by politics. The decision-making process for the PHCs was largely dominated by the same elite actors who previously dominated "spaces" for community development, excluding ordinary citizens. On the contrary, while international and local civil society organizations continued to urge companies to reallocate wealth among the communities affected by their operations, mining companies either did so reluctantly or refused to do so in a dire economic environment in which the government was generous to them as a means of attracting and retaining investments. The government lacks the power to hold companies accountable to honor their commitments to PHCs. This has made the situation critical and is undermined by the actions of politicians (Conteh and Maconachie, 2019, p. 239).

### **Sierra Rutile Community Development Agreement**

Even though the Mines and Minerals Act was enacted in 2009, Sierra Rutile Limited (SRL) only started the CDA in 2016. The SRL, which until 2015 had been allowed by the NMA to spend its community development funds through the foundation has been engulfed in disagreement with the PHC, although it has not stalled its implementation. While the Company paid its 2016 and 2017 CDA contributions, it retained the 2015 payment. This was due to confusion surrounding a sum of US\$ 75,000 paid from the foundation's account to unknown beneficiaries for project implementation, which occurred after the NMA had placed a moratorium on the use of community development funds until CDAs were signed (Conteh and Maconachie, 2019, p. 238). This was accentuated by the CDC Chairperson during an interview, noted that, in 2014, the NMA passed a resolution that SRL should not place any fund into the foundation account until the CDA comes into effect. However, this was blatantly ignored by the company and thus US\$75,000 was unaccounted for. From every indication, this money has been exploited by personnel of the company, some chiefs and government officials.

The CDA has engendered a new ground for contestations between the traditional authority and the ordinary members of the community. Though the Paramount Chiefs (PCs) are part of the CDC, the Act prohibits them to serve as the chairperson. As it is, an ordinary member of the community is elected as chairperson of the committee. This has created strong resentment from the PCs as it is considered to undermine their authority. The CDA fails to take into account that PCs are the "custodian" of the land and thus every development at the chiefdom level must be within our purview. (Interview with PC of Lower Banta Chiefdom, February 2019). He also advanced that, "the chairperson of the CDC in SRL shows no respect for my authority." At the time of this research, the PC was on suspension on allegation of misuse of community development funds.

The less than one percent of the CDA fund captured by the Act is inadequate to implement a sustainable project in the five chiefdoms where SRL operates with a single CDA program. Most of the respondents noted that the company should have increased the CDA fund considering its massive destruction to the environment. The Community Affairs Manager of SRL noted that "the company is bound by statutory regulation and thus can only increase fund if it is in the law." From observation in the community where funds have been distributed, some projects have been implemented with substandard materials. A school building constructed in Imperil Chiefdom less than one year ago has dilapidated.

The issue of a low level of education in the mining-affected communities is a major challenge toward the implementation of the CDA. There is strong pressure from the local authority to get direct involvement in the activities of the CDC. The chairperson of the CDC was directly attacked following his strong defiance against the misuse of the CDA fund by the local authority that wanted to engage on 'business as usual.' When the CDA fund was first paid into the account, some politicians and chiefs urged me to distribute the money without any identified projects. When I stood up strongly that this time around, the money must be used to benefit the affected communities, I was attacked by "secret society men" who were allegedly instructed by the chiefs. I had to leave the community for a certain period as a result of numerous death threats (Interview with the CDC Chairperson in Sierra Rutile, February 2019).



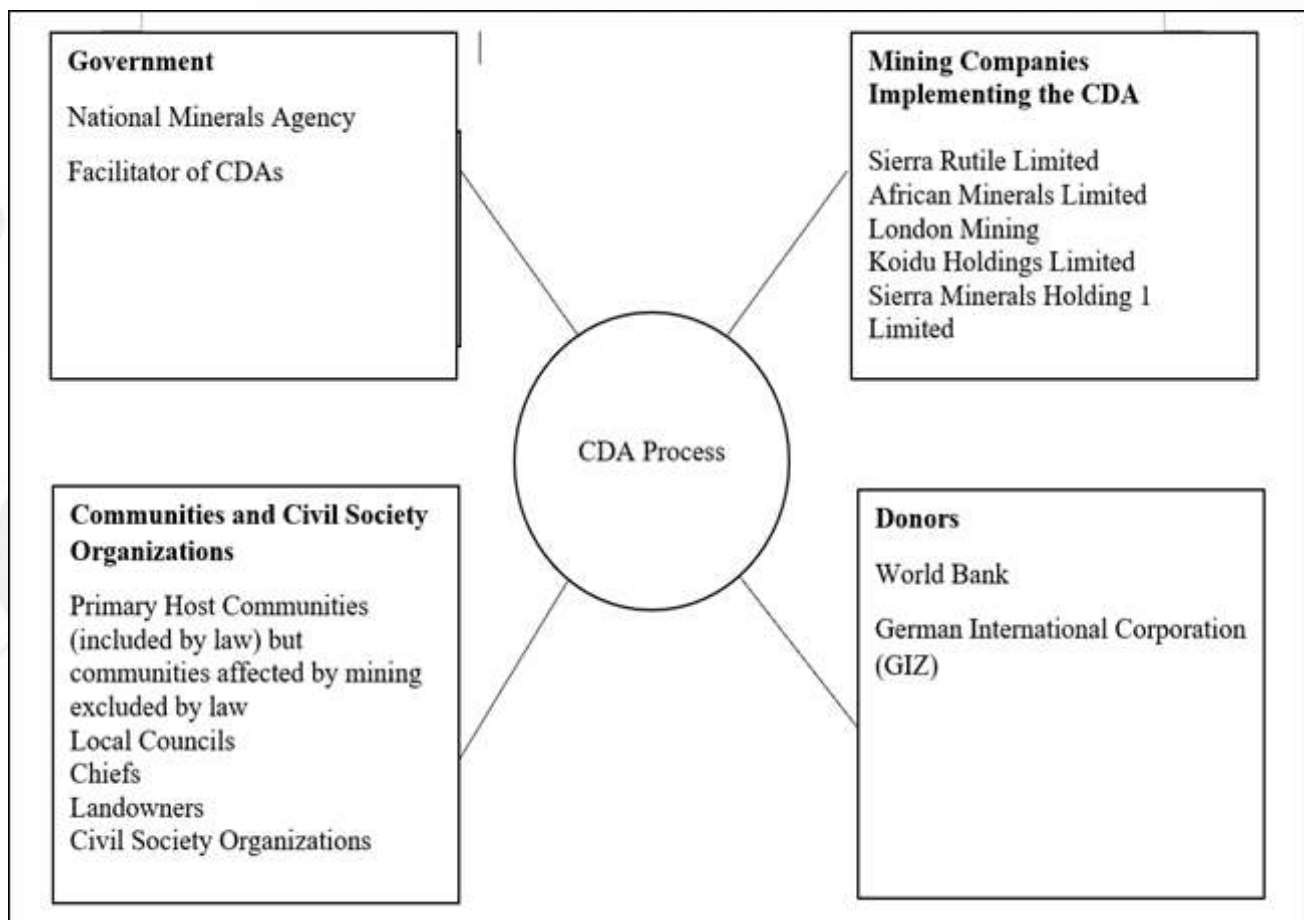
### Community Development Committee Structure

The CDC was established to manage the fund provided by the mining company. The committee comprises - Chairperson, District Officers of Bonthe and Moyamba Districts; Paramount Chiefs of the five chiefdoms; two Ward Councilors within the PHCs; Development Planning Officers; Environment and Social Officers; Members of Parliament representing the constituencies where the PHCs are located; five chiefdom landowners; five chiefdom religious heads; five chiefdom women's leaders; five chiefdom youth leaders; five farmers representatives and one CSOs Representative (Sierra Rutile Limited, 2018, p.6).

By the provision of the Act, the CDC does not give PCs the usual overwhelming power to determine the nature of development. Though PCs are part of the CDC, they are not allowed to serve as chairperson. As a result, PCs have considered the CDC as a threat to their long-held 'custodian authority.' This is what Jackson (2006) advanced, there is no accountability process to ensure that funds are used for development, and it is relatively common to hear the local people complain about the misappropriation of the funds by chiefs (p. 99-100).

At each of the five chiefdoms, members of the CDC executive lack skills to identify, plan, implement and monitor projects. The members either have little or no formal education. The major problem with the CDA is that community members in the committee do not have project management skills (Interview with the Community Relations Department, NMA, February 2019). The CDC Chairperson in Rutile accentuated this challenge. "Chiefdom level CDC members cannot come up with realistic projects for their chiefdoms. Most of them only become part of the committee because of the fund and not necessarily to help address the problem in their chiefdoms."

**Figure 2: Key Actors in the CDA Process: Resource Policy 61: 232: 2019, Conteh and Maconachie**





## CONCLUSION

The CDA has created a mandatory fund for the development of primary host communities. It has also empowered the ordinary members of the community to determine the development agenda. Even though it seeks to eliminate the entrenched elite capture in the extractive sector, the CDA, with the intricate provision in the Act prevents the community people from determining what constitutes the primary host community. It has engendered a new ground for contestations between the traditional authority and the CDC. There is a deep-seated conflict between PCs and the Chairperson of the CDC committee. PCs consider the CDA as a threat to their traditional authority and thus pose a considerable challenge to the implementation of the CDA program.

The study, therefore, called for the harmonization of the CDA and Local Council plan to prevent violent conflict. The Mines and Minerals Act of 2009 should be reviewed to address the ambiguity on the identification of PHCs and the minuscule 0.01 percent CDA fund be increased to spawn sustainable community development. Members of the CDC should be trained on project management, procurement, and reporting. The CSOs should provide oversight function on the community development fund to ensure transparency and accountability.

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# CLASH OF INTERESTS? CONFLICTING PERSPECTIVES OF THE STATE AND BORDER COMMUNITIES ON SMUGGLING IN NIGERIA

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## ABSTRACT

Smuggling has been a signature of African borders. The study takes a critical look at the issue of smuggling in the Imeko border community of Nigeria that is situated at the Benin border. It examines the perspectives of the state and the border communities and uses the Onion method of Conflict Analysis to determine the actual needs of both parties and how they could be met. While the government sees it as a crime that robs the state of its much-needed resources, the border communities consider smuggling to be legitimate trade relations with their kinsmen across the border as a result of its artificial nature. The study recommends that the government and the border communities should come together to clarify the ambiguity around smuggling so as to have a defined approach that is favourable to all parties in the conflict. In addition, the government has to invest massively in development of border communities to prevent smuggling from being lucrative to border community indigenes.

**Keywords:** *Smuggling, Border Security, Border Communities, Conflict Resolution*

## INTRODUCTION

African borders, inherited from colonialism have been referred to as artificial as they have separated people with kinship ties (Asiwaju, 1984) disregarded trade patterns and even lumped warring ethnic groups into one state (Blum, 2014; Justin and De Vries, 2019). In some instances, the borders have divided specific ethnic groups into two or more states with different systems and customs thus creating unique security challenges in that what is outlawed on one part is accepted just across the border (Asiwaju, 2006). Nigeria impulsively closed its borders with Benin without prior information on 22<sup>nd</sup> of August, 2019 to carry out a joint border exercise to respond to insecurity challenges in the state (Daily Times, 2019). This goes to show the extent to which security threats resulting from the borders are a part of the current national discourse. It also reveals a glaring tendency across African states to respond to security challenges primarily through force (Alusala, 2010). While this approach may bring some short-term gains, it fails to lead to lasting solutions for the security issues.

This paper seeks to understand the perspectives of the two major actors in the conflict on smuggling – the government and the border communities. The paper begins by discussing the concept of smuggling and examining how it plays out in Imeko. It then identifies the state perspective of smuggling as a crime that is carried out by border communities to sabotage the economy and security of the Nigerian state. On the other hand, the border communities' perspective sees smuggling as legitimate cross-border trade between them and their kinsmen across the artificial dividing border lines. Finally, a conflict analysis is carried out using the Onion method of conflict analysis that determines the positions, interests and needs of both parties to proffer the way out of the conflict before a conclusion is made.

This study is based on fieldwork carried out in the Imeko border community of Nigeria in July 2019. Twenty interviews were carried out with border community indigenes and residents as well as border security officials including the customs, police and immigration. The data provided is then content-analyzed and complemented with secondary materials including books and journal papers.

## THE CONCEPT OF SMUGGLING

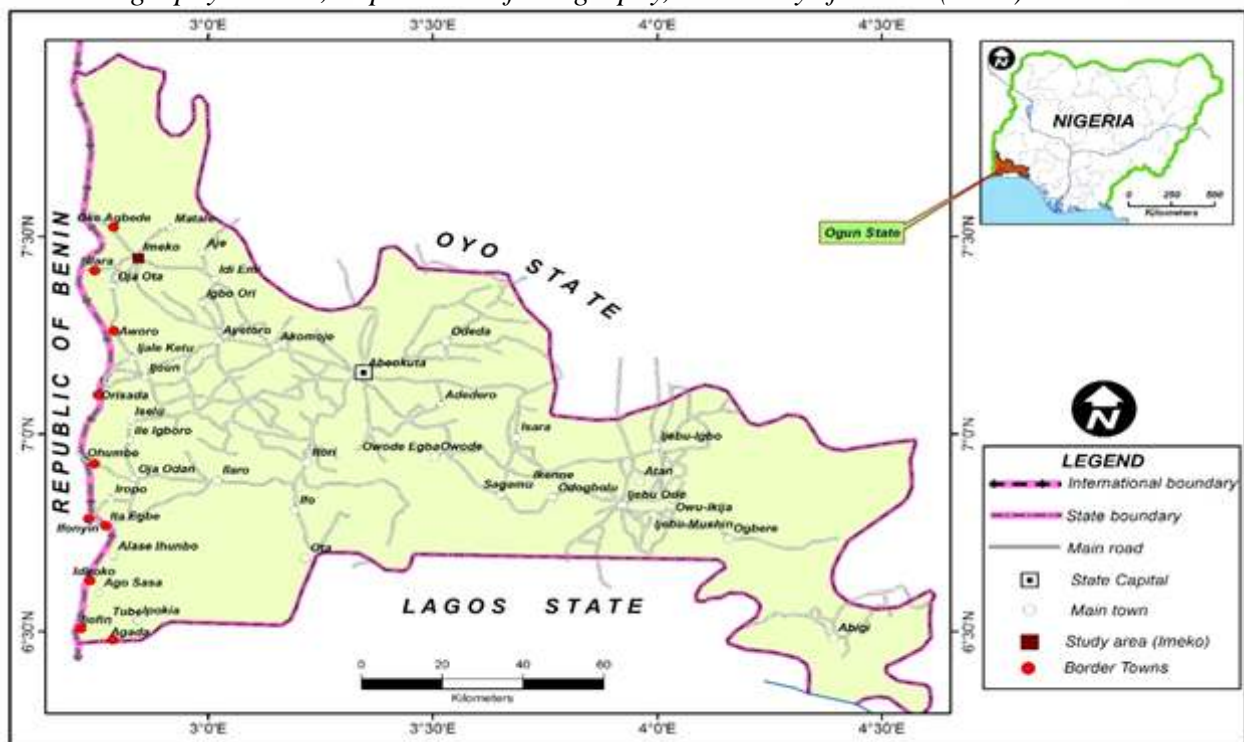
Smuggling has witnessed significant interest by scholars and policy-makers in recent times. This is as a result of intense globalisation that has brought the world closer in terms of trade, communication and movement of



people (Polner, 2015). Criminals have taken advantage of the loopholes in national security structures to carry out transnational organised crimes such as smuggling across borders (Polner, 2015; Ayimpam, 2015). Smuggling is considered to be either the movement of goods across borders through illegal exit or entry points or the import or export of goods designated as contraband. Goods determined to be smuggled are therefore ones that have failed to be officially sanctioned by the state (Benjamin, Golub & Mbaye, 2015). Thus, the definition of smuggled items varies from state to state for instance, importation of second-hand cars is banned in Apapa port of Nigeria and permitted in the Port Autonome de Cotonou of Benin (Albert, 2006). The fact that states that border each other have divergent policies on smuggling means what it is deemed as contraband on one side of the border could be entirely legitimate on the other side creating opportunities for smugglers to cash in and make a profit. Nigeria has been described as having some of the highest import tariffs in the world with a lot of items exceeding the 35% ECOWAS maximum (Golub, 2012). This situation coupled with inefficient border controls create an “open invitation to smuggling” (Golub, 2012:4).

**Figure 1: Map of Imeko Border Town**

**Source:** Cartography Section, Department of Geography, University of Ibadan (2019)



## SMUGGLING IN IMEKO

Smuggling has been pronounced as a major border security challenge in Nigeria (Eselebor, 2013). Imeko is a border community in Nigeria that has experienced its fair share of smuggling in the state. The prominent form of smuggling in the community is that of rice importation which has been denounced by the Nigerian government as frustrating national food sufficiency (The Premium Times, 2019). Smuggling of rice at the Imeko border has however persisted and is even arguably on the increase in the community (Interview, 2019). The smuggling process is highly organised as most transnational organised crimes. It begins when the wealthy trader crosses the border into Benin to purchase the contraband rice. The bags of rice are then delivered to the boundary point of Benin at Ilara. Next, the trader secures the services of crossers, locally known as 'Fayawo' to negotiate the terms of crossing the bags of rice from the boundary point at Ilara to the city center at Abeokuta. The Fayawo is the crosser who mobilises a number of vehicles to smuggle the contraband rice into Nigeria. Once the price is fixed, the crosser or fayawo goes to secure the cooperation of the border security officials particularly the customs by paying a certain amount on each vehicle to be used for the operation. Immediately, the customs officials have been 'sorted' or bribed, the smuggled operation is then carried out usually at night (Interview 2019). It therefore means that “The main smugglers are in the town making calls concerning their packages. They are not the ones driving the items” (Interview, 2019).





The process of smuggling rice in Imeko border confirms the findings made in other studies. Ellis' (2009) study on the drug trafficking from West Africa notes that different chains in the trafficking gang include a crosser that handles all the transportation of the illicit substances to the destinations after the trafficker purchases the drugs (Ellis, 2009). Albert's (2006) study on smuggling second-hand cars from Cotonou to Nigeria through the Idiroko border also notes that the cars are handed over to the crossers after purchase at Cotonou who are entirely responsible for delivering the vehicles to the Nigerian destinations. Similarly, Ayimpam's (2015) study on smuggling of Asian textiles into Kinshasa clarifies that cross-border traders depend on persons with disabilities and young people called *romains* (smugglers) to smuggle their wares across the border.

### STATE PERSPECTIVE ON SMUGGLING

The word “smuggling” already connotes an activity frowned at by the authorities. The Nigerian state has adopted very stringent views of smuggling. The official perspective is that it is a crime that is undertaken to sabotage the economy of the state (The Premium Times, 2019). It is considered to be responsible for loss of revenue to the government and promotion of counterfeit items. Besides, smuggling provides a medium by which neighbouring states may intervene to influence the activities of a state thereby leading to the success or failure of policies (Okunade, 2015). Smuggling of rice in particular has been decried by not just the government of the state but other interest groups. The Rice Producers Association of Nigeria (RIPAN) in a press conference noted that over 20 million bags of rice was smuggled through the land borders in just three months from January to March 2019 (The Premium Times, 2019). They argued that this frustrated the state's drive towards self-sufficiency in rice production.

The Nigeria Customs Service is the government agency saddled with the task of preventing smuggling. Their mandate includes ensuring payment of appropriate duties on goods coming into or exiting the borders and prevention of the use of illegal routes by irregular migrants (Nkemjika, 2019). Smuggling of contraband items have been determined to include parboiled rice, frozen chicken, groundnut oil, tomato paste, fertilizers amongst others (Benjamin et al, 2015). The customs officials who are mandated to stop smuggling could face stiff opposition from the border communities who do not only condone it but may actively partake in it (Nkemjika, 2019). However, a former smuggler interviewed at Imeko fingered the customs officials as being willing partners who had to be 'sorted' or bribed to be able to secure their cooperation for smuggling activities (Interview, 2019). Nevertheless, the Nigeria Custom Service maintains their position that they are tackling the issue of smuggling squarely at the nation's borders. On a national primetime television programme hosted on Nigerian Television Authority, the Nigeria Customs Service maintains a weekly show titled Customs Duty where they regularly update the public on their strides in apprehending smugglers at various points on the borders (Nigeria Customs Service, 2019). The programme claims that a smuggler is “the enemy” of the state that should be “driven out” (Nigeria Customs Service, 2019). In fact, a customs official approached by the researcher for an interview declined insisting that there was no form of smuggling occurring at Imeko border. This was despite the daily evidence the researcher encountered of smuggled trucks, vehicles and motorcycles moving from Imeko to Abeokuta each night.

The government especially through their security agencies considers smuggling to be typically carried out by residents and indigenes of border communities. A top customs officer interviewed noted that “Smuggling is very popular among the border community. They do not want to work and see it as a quick way to make money” (Interview, 2019). This view was substantiated by a long-term resident of the border town who agreed that the “Fayawo business is usually carried out by the indigenes of the town. This is because they are the ones that know all the roads to use to avoid security agencies” (Interview, 2019). Indeed, it has been established that smugglers usually contact border community indigenes to cross their items from Benin into Nigeria because of their knowledge of the routes to be used to move the items but also for their often-cordial relationship with border security agencies deployed in their town (Albert, 2006). The government therefore tends to see the border communities as people who actively seek ways to sabotage the work of security agencies by smuggling in goods (Akhigbe, 2019). This unfortunately leads to securitisation of the border communities as people who pose a threat to the security of the state (Akhigbe, 2019).



## **BORDER COMMUNITY PERSPECTIVE OF SMUGGLING**

The border community perspective provides an interesting rejoinder to the understanding of smuggling in Nigeria. The perspective is shaped by various factors including the nature of the terrain and relations with the border security agencies. The nature of African borders is artificial barriers that often divide people of the same ethnic group between two different states creating similar communities on both sides (Asiwaju, 2006). This is particularly true of the Imeko border town that is part of the Ketu stock of Yoruba divided between both Imeko in Nigeria and Ketou in Benin. Both border communities share the same culture, language, kinship ties, festivals and food (Asiwaju, 2017). These similarities influence the way they relate across the borders. Martinez (2015) explained that when the people who live on both sides of the borders maintain intense interactions, the borders fail to divide them and simply bring them closer. Similarly, Brunet-Jailly (2007) indicated that the bordering effect on the people inhabiting border communities in different states is increasingly blurred when they have close-knit relations.

Such was the case the fieldwork uncovered at Imeko. A religious leader who is an indigene explained it thus, “If I take my farm produce from Imeko to sell at Ketou in Benin and use the proceeds to buy rice from Ketou to resell at Imeko, how can you call it smuggling? It is business” (Interview, 2019). Likewise, a chief of the town insisted, “There is no smuggling in this town. We only engage in cross-border business” (Interview, 2019). The kinship ties shared by the people of Imeko border town in Nigeria and their relatives in Ketou in Benin simply reinforce their belief that they are engaging in legitimate cross-border trade. As the smuggling of items such as rice and spaghetti at Imeko were deemed to be legitimate trade by the indigenes and residents of border communities, they usually expressed surprise and pain at the government trying to prevent them from engaging in their activities.

The different perspective of border community residents on smuggling is also shaped by the relationship with border security officials in their vicinity. Whereas the position of the government is that smuggling is a crime that should be drastically reduced, the conduct of the security officials tasked with enforcing this position seems to indicate otherwise. Agbedahin (2014) in his study of border security officials conduct at the Ghana-Togo borders summed up this tendency of officials to ignore their roles just to extort border users and community indigenes as “border parasitism”. A religious leader at the Imeko border claimed that “The Nigerian Customs and other security agencies are not doing their work and profit directly from the smuggling through bribes. They are the ones even encouraging the smuggling in the first place so they can make money” (Interview 2019). A teacher explained that, “You cannot smuggle anything without the consent of the customs and other agencies. There are over 20 checkpoints from Imeko border to Abeokuta (the city center) so it is not possible to avoid them” (Interview 2019). A migrant to Imeko community noted that, “Smuggling cannot stop because everybody sees it as a business not a crime. Once you give the customs and police their own share by bribing them, you are free to go” (Interview 2019). Benjamin et al (2015) notice the collaboration of the security agencies in smuggling activities in West Africa. Ayimpam (2015) also maintains that the consent of the security agencies is crucial to the success of smuggling activities in Kinshasa river port.

## **ONION METHOD CONFLICT ANALYSIS**

Conflict is considered to be a disagreement between two different parties on a particular issue (Best, 2006). Conflict is not a negative phenomenon as it is normal and should even be anticipated in any interaction. What is important however is for the conflict to be adequately managed to prevent it from degenerating into violence. The conflicting perspectives on smuggling by the state represented by the government and its security agencies on the one hand and the border communities on the other hand have helped to perpetuate smuggling in Nigeria. This is because both sides seem to be in denial of the occurrence of a conflict in the first place. The government represented by its security agencies especially the customs projects an official position of victory over the cross-border criminals particularly smugglers of contraband goods. Meanwhile, indigenes and residents fail to attach the same seriousness to smuggling as the state does with the prominent perception of it being a legitimate business rather than a crime. This calls for a means of analysing the conflict to determine a way out.



The onion method of conflict analysis helps to understand the issues at play in this conflict between the government and the border communities and what needs to be done about it. The Onion method looks at a conflict situation through the lens of three layers- the positions, interests and needs (Gaya 2006). The rationale behind the onion method is to dig deep enough into the causal factors with the understanding that removing those factors could help manage and even resolve the conflict.

The outermost layer which is the most visible is the position of the parties (Gaya 2006). These positions taken by the parties to the conflict in the first place are responsible for the outward appearance of the conflict. The position of the government is that smuggling is a crime that should be tackled with the force of the state (Nigeria Customs Service 2019). Smuggling of contraband food items in particular such as rice, tomato paste and groundnut oil prevent the state from attaining food sufficiency, lead to unemployment and slow down economic growth. The position of the border communities is that items deemed to be smuggling are part of legitimate business interactions carried out with their kinsmen across the border.

The interest of the state is in guaranteeing the security of Nigeria particularly over its porous borders. Any form of unsanctioned activity across the Nigerian borders could tamper with the internal security of the state which could be an invitation to the chaos (Eselebor 2013). The border communities have their interest in sustaining a means of livelihood for their indigenes and residents (Pophiwa 2010). They are simply interested in being able to survive having been located at the margins of the state and still being neglected in every way. The needs of both parties are the most important factors to consider on smuggling in the state. The needs of the border communities are more conspicuous. The overwhelming need is development of the community particularly provision of jobs. Several respondents from the community indicated that smuggling was the last resort for youth due to the high risk. A teacher explained, "Why would someone agree to load over fifty bags of rice in a small vehicle meant for four passengers and cross the items from Imeko to Abeokuta at great danger to his life because there is no room in the car to drive properly? Any slight mistake on the road would result in a fatal accident because there is no room at all to maneuver." (Interview 2019) An economic migrant to Imeko noted that "The people of this town are very hardworking. The children learn a skill or craft from childhood. Most of the smugglers are skilled people who have taken to smuggling because they have no money or support to establish businesses." (Interview 2019). The administrative manager of the Africa Regional Institute insisted that, "The government should come here and employ the teeming youth population that have nothing to do. Provide an alternative for them and smuggling would drastically reduce" (Interview 2019). This is a crucial need of the border communities that if not resolved would continue to compromise the state security through forms such as smuggling.

The need of the government is to ensure the territorial integrity of Nigeria especially at the borders. This need compels it to determine its border security particularly what is permissible or not over the borders (Eselebor 2013). The ability of the government to control which items are legal or contraband is an exclusive preserve of the Nigerian state that can be used at its discretion. Items that are contraband are therefore considered smuggled when imported into or exported out of the state. To actually attain control over smuggling, the government should respond to the developmental needs of the border communities and also meet its own need. The need of the Nigerian government to achieve the territorial integrity over its borders would have to be communicated to its border security officials and enforced to the letter. The observation of the researcher as well as the interviews carried out in Imeko border community confirm that the security agencies themselves frustrate the government's desire to stop smuggling in border towns by compromising to smugglers.

## CONCLUSION

This paper has discussed the conflicting perspectives of smuggling by both the state and the border communities. The unyielding perspective of the state is that it is a crime that should be punished with the force of the state. The border communities consider it to be legitimate informal cross-border trade engaged with their kinsmen across the border. The onion method of conflict analysis helps to show that besides the



positions and interests of both parties, the actual needs of both parties are development of the border communities and protection of the territorial integrity of the state by the security agencies. Meeting those needs could help reduce smuggling activities in Nigeria.

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# THE CONSUMPTION GAPS BETWEEN THE POOR AND THE NON-POOR HOUSEHOLDS IN MALAWI: A BLINDER-OAXACA DECOMPOSITION ANALYSIS

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## ABSTRACT

So far, most of the literature for example, Bokosi (2006), Mukherjee and Benson (2003) etc. has focused on determinants of poverty but they have ignored the fact that consumption differences exist between the poor and the non-poor population in the society. This study therefore, is set out to investigate the poor and the non-poor welfare inequalities in Malawi based on fourth Integrated Household Survey. It has been found that socio-economic and demographic factors do influence household consumption in both the poor and the non-poor. In addition, the B-O decomposition has helped in identifying the differences in the per capita consumption expenditure between the poor and the non-poor and further shows that by adjusting the poor's endowments levels to the endowments of the non-poor, an improvement in the per capita consumption of the poor can be seen.

## INTRODUCTION

Global poverty has been declining since the 1990s; there are however disagreements about the exact magnitudes of the declines. The difference in the size of the declines is primarily explained by whether one uses national accounts data or household survey data. Studies using national accounts data (Sala-i-Martin, 2002; Pinkovskiy & Sala-i-Martin, 2016) point to much larger declines in global poverty while studies based on household survey data indicate modest declines. These studies also manifest that Sub-Saharan Africa lags behind all other regions in terms of the pace of poverty reduction. This aggregated picture about Sub-Saharan Africa hides a lot of diversity in terms of poverty reduction within the region. The impact of the recent impressive economic growth in Sub-Saharan Africa on poverty has been mixed. Growth has led to significant poverty reduction in countries such as Ethiopia, Ghana, Uganda, and Rwanda while the same growth has been associated with no reduction or indeed a worsening of poverty in countries including Madagascar, Kenya, and Nigeria (Arndt et al., 2016). Another phenomenon which has characterized growth in Sub-Saharan Africa is that it has been accompanied by growing inequality in some countries such as Kenya, Uganda, and Zambia.

The World Bank (2000) defines poverty as a pronounced deprivation of well-being. Firstly, Well-being can be viewed as the command that an individual has over resources. Therefore, the poor are those who do not have enough income or consumption to put them above some adequate minimum threshold and hence poverty is viewed largely in monetary terms. On the other hand, well-being can also be viewed beyond monetary measures, thus, according to Haughton and Khandker (2009), it focuses on whether people have a certain type of consumption good including; enough food, shelter, healthcare or education. In contrast, Sen (1999) defines well-being as a capability to function in a society. Thus poverty can arise when people lack key capabilities, and so have inadequate income or education or poor health or insecurity, low self-confidence, sense of powerlessness or the absence of rights such as freedom of speech. With this view, poverty is a multi-dimensional phenomenon which requires a holistic approach.

Inequality can be defined as the dispersion of the distribution of income or some other welfare indicators. Inequality matters in its own right and it is a key to reducing poverty and these two can affect each other directly or indirectly through their link with economic growth. The World Development Report (2000/01) states that better distribution is possible without a reduction in economic growth. In other words, there is no inevitable trade-off between equity and efficiency. On the contrary, lower inequality can create faster growth. Low inequality can, therefore, benefit the poor in two ways: by increasing overall growth and average





incomes, and by letting them share more in that growth. Conversely, countries which would be on a high growth path if income distribution was equitable may experience slow growth and even slower poverty reduction if inequality is high (Ravallion, 1997).

The government of Malawi has pursued different poverty reduction efforts through various strategies emphasizing economic growth, infrastructural development, and the provision of social services. Some of these strategies include the Poverty Alleviation Program (1994); the Malawi Poverty Reduction Strategy (2002-2005); and the Malawi Growth and Development Strategy (MGDS) (2006-2011, 2011-2016 and 2017-2022). Despite having experienced some positive changes in economic growth in the recent past as a result of these strategies, the fourth integrated household survey shows that there are slight changes in poverty levels. Therefore, there is need to understand not only the determinants of poverty but going beyond by exploring the consumption expenditure gaps that exist between the poor and the non-poor, since ignoring these gaps can thus lead to erroneous assessment of poverty trends and evaluation of poverty reduction policy.

A large and expanding literature exists which tries to shed light on the nature and extent of poverty. In Malawi, these studies include Mangoni (2019), Bokosi (2006), Mukherjee and Benson (2003), Government of Malawi (2001), just to mention a few. However, these studies do not attempt to investigate the causes of welfare differentials between the poor and the non-poor in Malawi but rather looked at the determinants. The purpose of this study, therefore, is to address existing gaps in the poverty literature by systematically investigating the causes of welfare differential between the poor and the non-poor population in Malawi.

The rest of the paper is structured as follows; section 2 looks at the overview of growth, poverty and inequality in Malawi. Section 3 presents the methodology and description of data and variables used, followed by empirical results in section 4 and the conclusion in section 5.

## **BACKGROUND OF GROWTH, POVERTY AND INEQUALITY IN MALAWI**

Malawi has experienced economic growth in the recent past, however, the impact of this growth on poverty and consumption inequality has been mixed. Between 2004 and 2007, the economy grew at an average annual rate of 6.2% and marginally decelerated to an average growth of 6.1% between 2008 and 2014. Over the same period, the agriculture sector was by far Malawi's most important contributor to economic growth, with a contribution averaging 34.0% to overall GDP growth. Given that economic growth was primarily driven by growth in the agriculture sector, and considering that about 90% of Malawians live in farm households (Benin et al. 2012), one would expect that this impressive growth would lead to significant reductions in poverty. While the economy registered high growth rates, the Gini coefficient of per capita consumption increased from 0.390 in 2004 to 0.452 in 2011, showing that consumption inequality worsened over this period (UNDP, 2016). The fourth Integrated Household Survey (IHS4) report shows that the extreme poverty levels reduced from 24.5 percent (reported in IHS3) to 20.1 percent indicating a decrease of at least 4 percent. However, according to the NSO (2017), the country in general continues to experience poverty with poverty rate of 50.7% as of 2017 which is about 2% drop from 2005's 52.4%, making it to be one of the poorest countries in the world.

## **METHODOLOGY**

The study models the log of total yearly per capita consumption to the determinants (such as age of household head, gender of household head) available in the data set of 2017 IHS4.

### **Blinder-Oaxaca Decomposition**

The goal of this study is to find an explanation for the differences in consumption expenditure depending on whether the household is poor or non-poor.

Given are two groups, A and B; an outcome variable, Y; and a set of predictors. Assuming, a group of non-poor and a group of poor, (log) income expenditure as the outcome variable, and demographic and social



economic indicators as predictors. The question now is how much of the mean outcome difference,

$$R = E(Y_A) - E(Y_B)$$

Where  $E(Y)$  denoting the expected value of the outcome variable, is accounted for by group differences in the predictors. Since the variable of interest is a function of other variables, it can be estimated using the following Linear model;

$$Y = X\beta + \epsilon, \quad E(\epsilon) = 0 \quad \text{for } A, B$$

Where;

$X$  is a vector containing the predictors and a constant,  $\beta$  contains the slope parameters and the intercept  $E$  is the error term, the difference of the means of consumption expenditure per household given the two groups considered can then be written as follows:

$$R = E(Y_A) - E(Y_B) = E(X_A)\beta_A - E(X_B)\beta_B$$

Because

$$E(Y) = E(X\beta + \epsilon) = E(X\beta) + E(\epsilon) = E(X)\beta$$

Assuming  $E(\beta) = \beta$  and  $E(\epsilon) = 0$

To identify the contribution of groups in predicted value gap, the previous gap equation can be rewritten as follows:

$$R = \{E(X_A) - E(X_B)\}\beta_B + E(X_B)(\beta_A - \beta_B) + \{E(X_A) - E(X_B)\}(\beta_A - \beta_B)$$

It should be noted that this decomposition is **subdivided into three components**:

$$R = E + C + I$$

The first component:

$$E = \{E(X_A) - E(X_B)\}\beta_B$$

Is the part of the difference that is due to the difference between groups in the endowments effect. The second component

$$C = E(X_B)(\beta_A - \beta_B)$$

Measures the part of the difference due to the difference in the coefficients and the intercept (the coefficient effect). And the last component:

$$I = \{E(X_A) - E(X_B)\}(\beta_A - \beta_B)$$

Is the interaction between the terms because the difference in endowments and coefficients existing simultaneously between the two groups.

## Data Description, Poverty Lines And Variables Used

### Dependent Variable

The dependent variable used will be poverty status as captured by the log of per capita consumption expenditure. This variable was constructed from four main elements (1) consumption expenditure on food which was the expenditure on all food items; (2) non-food consumption expenditure on things like education, electricity, health, transport etc.; (3) the value of durable goods like bicycles; (4) housing cost measured in terms of rent paid or the value of the house if the owners are the occupants of the dwelling unit. Therefore, if the household meets the required yearly per capita consumption, the household is non-poor, but if the household is below per capita consumption, the household is classed as poor. The poverty line demarcates the poor and non-poor. In Malawi the per capita consumption expenditure of MK1387 is the poverty line of the household with less than that amount being considered as poor.

Thus 1: indicates that household is poor

0: means that the household is non poor

### Independent Variables

#### A. Household Size

This variable depicts the number of the household. The variable according to McKay and Lawson (2002), is going to put pressure on household assets and resources. Household size is prime demographic factor to



poverty and it is generally positively related to poverty status. The expectation is that the probability of being poor increases with the number of people in the household since a large number implies that there is a higher dependency ratio meaning that the head of the household has a huge burden reducing the chances of not being poor.

#### **B. Sex of the household head**

This variable captures whether the head of the household is male or female. This variable has been used by various scholars in the study of the determinants of poverty. It is a dummy taking the value of 1 if one is male, then zero is otherwise. In their study, Chidoko and Gwaindepi (2011) found that male headed households were better off than their female headed counterparts. The a priori expected sign is positive meaning that having a female head increases one's chance of being poor.

#### **C. Age of household head**

This is a continuous variable representing the age of an individual who is considered as the head of the household whether male or female. Age is supposed to represent accumulated work experience in a skill or occupation. More the a priori is not straight forward it can either be positive or negative. This is due to the fact that, at first, as age increases poverty is reduced but at older ages the situation is reversed.

#### **D. Education**

Education variable categorical will depict the level of schooling of the household head in terms of qualification whether the education is primary, secondary, or tertiary. This definition has been used by several scholars in studies on the determinants of poverty in Malawi and across the globe. According to human capital model, education is an important dimension of non-homogeneity of labor. A priori is that as the level of education rises it reduces the probability of a household falling into poverty.

#### **E. Agriculture**

These are a set of variables related to agriculture and they include land holding, crops cultivated and livestock owned. According to Nation Economic council (2001), land holding given by the per capita acres is an essential variable in determining poverty for agrarian societies like Malawi.

Crop diversification is also essential in reducing the country's risk of poverty so to capture this the study will incorporate a diversification variable similar to that used by Mussa (2015) which is the number of crops cultivated other than maize and tobacco. Similarly, the livestock ownership has an essential bearing on poverty

#### **F. Residence**

The variable residence captures the type of residence within a particular region. It is a dummy variable depicting whether a household is in a rural area or urban area. Various scholars have argued that rural residence in general affects one's poverty status and is more associated with poverty unlike living in urban areas. According to Okurut F.N. and Adebua (2001), the rural dwellers are worse off unlike their urban counterparts due to the fact that most economic activities are in urban areas. The a priori expected relationship is positive meaning that urban areas are associated with high per capita income.

#### **G. Access to Services**

This variable depicts the household's access to basic services like admarc, post office and markets, which is associated with higher per capita expenditure hence less poverty. Previous studies done in Malawi and in other countries have shown that reducing the time it takes to reach various services by a household will reduce it chances of falling into poverty (National Economic Council, 2001; Tesfahun, 2005).

## **RESULTS AND DISCUSSION**

### **Description of Variables**

Descriptive statistics provides a prior understanding of the data before any estimation procedure has been carried out. The descriptive statistic table below provides a summary of variables used in this study based on their means and standard deviations.



Table 1: Descriptive Statistics for Variables used in Econometric analysis

| Variable     | Obs  | Mean   | Std.Dev. | Min    | Max    |
|--------------|------|--------|----------|--------|--------|
| inpc_cos     | 1244 | 13.346 | .698     | 10.713 | 19.841 |
| Sex          | 1244 | .947   | .225     | 0      | 1      |
| Area         | 1244 | 3.713  | 1.432    | 0      | 5      |
| Age          | 1244 | 44.27  | 16.953   | 16     | 110    |
| head_age2    | 1244 | 1.987  | 1.158    | 0      | 4      |
| Hhsize       | 1244 | 4.329  | 2.001    | 1      | 17     |
| head_marital | 1244 | 1.36   | .749     | 0      | 3      |
| head_educ    | 1244 | .498   | .89      | 0      | 3      |
| Road         | 1244 | 1.106  | .461     | 1      | 4      |
| Market       | 1244 | 1.043  | .204     | 1      | 2      |
| Admarc       | 1244 | 1.053  | .224     | 1      | 2      |
| Clinic       | 1244 | 1.005  | .093     | 1      | 3      |
| Agriculture  | 1244 | .849   | .569     | 0      | 7      |

Source: Computation using Stata

### BLINDER OAXACA DECOMPOSITION RESULTS

Generally, before the decomposition of Blinder-Oaxaca, the regression is carried out within each of the groups (the poor and the non-poor) considered. In the case of this study, a first regression is made in the group of non-poor households and then in the group households which are poor. The results are summarized in table 2 below;

The specification of both models are generally good, this results in the critical probabilities associated with Fischer statistics.



Table 2: Preliminary results of B-O decomposition

| VARIABLE                 | 0=Non-poor<br>Log of consumption Expenditure | 1=poor<br>Log of consumption Expenditure |
|--------------------------|--|--|
| Household sex            | 0.215***<br>(0.01973)                        | 0.413***<br>(0.0487)                     |
| Residence                | -0.106***<br>(0.00367)                       | -0.079***<br>(0.0042)                    |
| Age                      | 0.00367<br>(.00075)                          | -0.0011**<br>(0.00053)                   |
| Household size           | 0.195***<br>(0.00306)                        | 0.156***<br>(0.00237)                    |
| Head marital             | -0.0647***<br>(0.00759)                      | -0.049***<br>(0.00657)                   |
| Head age2                | 0.034**<br>(0.0108)                          | 0.0196**<br>(0.00800)                    |
| Head edu                 | 0.216***<br>(0.00549)                        | 0.0783***<br>(0.00828)                   |
| Agriculture              | -0.072***<br>(0.00953)                       | 0.0015<br>(0.00892)                      |
| Clinic                   | -0.062<br>(0.0565)                           | -0.0120<br>(0.0454)                      |
| Market                   | 0.056<br>(0.0453)                            | -0.0316<br>(0.0354)                      |
| Admarc                   | 0.010<br>(0.0409)                            | 0.0152<br>(0.0342)                       |
| Road                     | 0.0409<br>(0.01782)                          | -0.0050<br>(0.0152)                      |
| Constant                 | 13.047***<br>(0.0685)                        | 12.201***<br>(0.0752)                    |
| <u>Summary of models</u> |  |  |
| Observations             | 6,879  | 5,568                                    |
| R squared                | 0.6432                                       | 0.5350                                   |
| Prob>F                   | 0.0000                                       | 0.0000                                   |
| Root MSE                 | 0.42191                                      | 0.3168                                   |

Standard errors in parentheses \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

Source: Study Computation

Considering the first variable, the study finds that the sex of household head is statistically significant at 1% and positively affecting the consumption expenditure in both groups but it is affecting more in poor households. This reflects that being a female lowers a household's welfare level than being a male. This is not surprising given the multiple responsibilities and greater constraints that women face in sub-Saharan Africa in trying to access resources and services than men (Cleaver, 1993). Datt et al. (1999) find similar results in the analysis of determinants of poverty in Egypt. Age of the head of household positively influences the level of consumption expenditure when the household is non-poor and negatively when the household is poor.



However, it should be noted that the sign of the first model is not significant. This result shows how the aging of the head of the household, when the latter is poor, is an impoverishing factor of the household. An increase in age of one year leads to a decrease in consumption expenditure per day of 0.0011. In addition, the results also show that the married household heads have lower per capita consumption level, than those otherwise.

In terms of household size, the study finds positive and statistically significant coefficients at 1% level in non-poor and poor household. The level of consumption increases by approximately 19.5% and 15.6% for the non-poor households and poor household respectively, from a unit change in the household size. This implies that low dependency levels for households with relatively few children or the fact that household members are working, which in totality leads to a rise in consumption.

By considering the education variable, the study finds that the education level attained by household head significantly contributes to consumption expenditure in both non-poor and poor households. However, this implies that education only would not suffice to increase household's consumption in poor households of Malawi if they continue receiving the poor standard of education compared to the non-poor. Similar findings were obtained in Congo by Nyamuhirwa (2019), pointing to the need for complementary factors to be provided alongside with education so as to alleviate poverty. The estimated coefficients of education levels which are significant at 1% are consistently positive, confirming the expectation that education attainment enhances per capita consumption expenditure. The increase in non-poor consumption is higher than in poor households, possibly supporting the fact that the remunerative economic opportunities from education in poor population in Malawi are very few.

The agriculture variable (or Crop diversification) significantly affects consumption in non-poor households with the coefficients being statistically significant at 1% level. The negative relationship could perhaps suggest that the returns from these crops are not positively significant. The coefficient in the poor household are positive but insignificant. These are not surprising results since landholding size is the major constraint limiting the income-earning potential of smallholders in Malawi. Alwang and Siegel (1999), observe that land scarcity is exacerbated by food security concerns in Malawi. Owing to lack of confidence in markets, smallholders plant a high percentage of their land to low-value food staples. In their study, they found that diversification, although rational, results in relatively lower income levels. However, these results are contrary to what Mukherjee and Benson (2003) found using 1998 integrated household survey that crop diversification positively contributes to household consumption in Malawi.

### Threefold Decomposition

As illustrated in section 3, in threefold decomposition the outcome differences are divided into three components; the first component amounts to the part of the differential that is due to group differences in the predictors (the “endowments effect”), the second component measures the contribution of differences in the coefficients and the third component is an interaction term accounting for the fact that differences in endowments and coefficients exist simultaneously between the two groups.

Table 3: Threefold B-O Decomposition Results

| VARIABLES | (1)<br>Overall | (2)<br>Endowments       | (3)<br>coefficients   | (4)<br>Interaction     |
|-----------|----------------|-------------------------|-----------------------|------------------------|
| Sex       |                | -0.0340***<br>(0.00428) | -0.197***<br>(0.0522) | 0.0163***<br>(0.00438) |
| Area      |                | 0.0650***<br>(0.00395)  | -0.111***<br>(0.0234) | 0.0218***<br>(0.00463) |
| Age       |                | 0.00120*<br>(0.000658)  | -0.0101<br>(0.0415)   | 0.000233<br>(0.000961) |
| Hhsize    |                | -0.195***               | 0.195***              | -0.0483***             |





|                     |           |            |            |            |
|---------------------|-----------|------------|------------|------------|
|                     |           | {0.00614}  | {0.0195}   | {0.00499}  |
| <b>head marital</b> |           | 0.00245*** | -0.0218    | 0.000786   |
|                     |           | {0.000734} | {0.0139}   | {0.000544} |
| <b>head age2</b>    |           | -0.00138** | 0.0291     | -0.00101   |
|                     |           | {0.000694} | {0.0273}   | {0.000992} |
| <b>head educ</b>    |           | 0.0450***  | 0.0250***  | 0.0795***  |
|                     |           | {0.00489}  | {0.00204}  | {0.00604}  |
| <b>Agriculture</b>  |           | -0.000366  | -0.0725*** | 0.0171***  |
|                     |           | {0.00206}  | {0.0128}   | {0.00310}  |
| <b>Clinic</b>       |           | -1.64e-06  | -0.0507    | -6.86e-06  |
|                     |           | {2.12e-05} | {0.0730}   | {8.53e-05} |
| <b>Market</b>       |           | -4.13e-05  | 0.0920     | 0.000115   |
|                     |           | {0.000125} | {0.0600}   | {0.000332} |
| <b>Admarc</b>       |           | 7.90e-05   | -0.00468   | -2.31e-05  |
|                     |           | {0.000188} | {0.0560}   | {0.000276} |
| <b>Road</b>         |           | -4.71e-05  | -0.00418   | -3.51e-05  |
|                     |           | {0.000147} | {0.0258}   | {0.000219} |
| <b>group 1</b>      | 13.65***  |            |            |            |
|                     | {0.00851} |            |            |            |
| <b>group 2</b>      | 12.97***  |            |            |            |
|                     | {0.00622} |            |            |            |
| <b>Difference</b>   | 0.684***  |            |            |            |
|                     | {0.0105}  |            |            |            |
| <b>Endowments</b>   | -0.117*** |            |            |            |
|                     | {0.00996} |            |            |            |
| <b>coefficients</b> | 0.715***  |            |            |            |
|                     | {0.00848} |            |            |            |
| <b>Interaction</b>  | 0.0865*** |            |            |            |
|                     | {0.00928} |            |            |            |
| <b>Constant</b>     |           |            | 0.846***   |            |
|                     |           |            | {0.102}    |            |
| <b>Observations</b> | 12,447    | 12,447     | 12,447     | 12,447     |

Standard errors in parentheses  
\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

Source: Author's Computation

The decomposition output in table 3 above reports the mean predictions by groups and their difference in the first part. The mean log of income consumption (ln pc\_cons) is 13.65 for the non-poor and 12.96 for the poor, yielding the overall consumption gap of 0.68. In the second part of the decomposition output, the consumption gap is divided into three parts. The first part reflects the mean increase in the poor's consumption if they had same characteristics with the non-poor. The decrease of 0.11 indicates that differences in the demographic and socio-economic variables account for about six times the consumption gap. The second term quantifies the change in the poor's consumption would be 0.715 when applying the



non-poor's coefficients/returns to the poor's characteristics. This further shows that the effect of the coefficients largely explains the consumption differentials between poor and the non-poor households. The third part is the interaction term that measures the simultaneous effect of differences in endowments and coefficients.

In the coefficients, a negative sign means that the variable in question saves to reduce the gap while a positive sign means that a variable in question increases the gap.

Looking at endowments/characteristics, the main contributors to the consumption gap are the values of household size, education of household head and area of residence. In terms of the coefficients/returns, household size variables are major contributors to per capita consumption followed by education of household head. The results further show that the coefficients effect of education is quite small, while the endowment effect is substantial. This underlines the importance of obtaining higher level of education for household members as it is the gap in the education attainment between the poor and non-poor households that is one of the major causes of consumption inequality.

### Twofold Decomposition

According to Fairlie (2005), the twofold decomposition can be requested, where weight, pooled or omega determines the choice of reference coefficients. Omega causes the coefficients from a pooled model over both samples to be used as the reference coefficients. Pooled option also causes the coefficients from a pooled model to be used, but the pooled model a group membership indicator. Hence, this study has used pooled rather than the omega and the results are showed below.

Table 4: Twofold B-O Decomposition results

| VARIABLES    | (1)<br>Overall | (2)<br>Explained          | (3)<br>Unexplained     |
|--------------|----------------|---------------------------|------------------------|
| Sex          |                | -0.0217***<br>(0.00198)   | -0.193***<br>(0.0583)  |
| Area         |                | 0.0844***<br>(0.00346)    | -0.109***<br>(0.0220)  |
| Age          |                | 0.00137**<br>(0.000634)   | -0.0100<br>(0.0414)    |
| Hhsize       |                | -0.220***<br>(0.00670)    | 0.173***<br>(0.0194)   |
| head marital |                | 0.00291***<br>(0.000823)  | -0.0215<br>(0.0140)    |
| head age2    |                | -0.00195***<br>(0.000751) | 0.0287<br>(0.0267)     |
| head educ    |                | 0.114***<br>(0.00436)     | 0.0353***<br>(0.00307) |
| Agriculture  |                | 0.0115***<br>(0.00177)    | -0.0673***<br>(0.0124) |
| Clinic       |                | -5.00e-06<br>(6.20e-05)   | -0.0507<br>(0.0656)    |
| Market       |                | 1.18e-05<br>(4.91e-05)    | 0.0921<br>(0.0568)     |



|              |            |            |          |
|--------------|------------|------------|----------|
|              |            | (4.91e-05) | (0.0568) |
| Admarc       |            | 0.000104   | -0.00473 |
|              |            | (0.000155) | (0.0523) |
| Road         |            | -5.23e-05  | -0.00421 |
|              |            | (0.000116) | (0.0245) |
| group 1      | 13.65***   |            |          |
|              | (0.00851)  |            |          |
| group 2      | 12.97***   |            |          |
|              | (0.00622)  |            |          |
| Difference   | 0.684***   |            |          |
|              | (0.0105)   |            |          |
| Explained    | -0.0295*** |            |          |
|              | (0.00959)  |            |          |
| Unexplained  | 0.714***   |            |          |
|              | (0.00683)  |            |          |
| Constant     |            |            | 0.846*** |
|              |            |            | (0.0941) |
| Observations | 12,447     | 12,447     | 12,447   |

Robust standard errors in parentheses

\*\*\*  $p < 0.01$ , \*\*  $p < 0.05$ , \*  $p < 0.1$

Source: Study computation

The results in the table 4 above indicate that the means of consumption expenditure are 13.65 for the non-poor and 12.97 for the poor which amounts the difference of 0.684. This further shows that by adjusting the poor's endowment levels to the endowment level of the non-poor would increase the poor's consumption expenditure by 68% and a gap of 0.714 remains unexplained. The explained gap is attributed to differences in household characteristics, whereas the unexplained gap is due to discrimination or pure bias.

The explained component results show that sex of household head, age squared and household size variables favor the poor significantly and access to other services like clinic and road also favors the poor but insignificantly, while the gaps in the remaining variables all disfavor the poor households.

The major factors creating bias in per capita consumption expenditure against the poor households are household size followed by education, accounting for 17% and 3% discrimination respectively. As indicated in table 4, also contributes to bias creation in consumption expenditure reflecting the underlying differences between the groups which are not captured by the other explanatory variables.

## CONCLUSION AND RECOMMENDATIONS

So far most of the literature has focused on determinants of poverty but not much work has been done regarding how consumption differences exist between the poor and the non-poor population in the society. This study therefore, investigated the poor and the non-poor welfare inequalities in Malawi based on fourth Integrated Household Survey.

It has been found that socio-economic and demographic factors do influence household consumption in both the poor and the non-poor. In addition, the B-O decomposition has helped in identifying the differences in the per capita consumption expenditure between the poor and the non-poor and further showing that by adjusting the poor's endowments levels to the endowments of the non-poor will improve the per capita consumption of the poor.



## RECOMMENDATIONS

The existence of welfare inequalities in Malawi based on results found in this study signals some ways, means and/or solutions that can be taken into account as regard to poverty reduction policies and strategies in Malawi.

The first relates to the importance of both human and physical capital endowments in determining welfare in Malawi. The importance of education for both poor and non-poor households cannot be overemphasized as education represents an important policy tool that can be used to escape poverty by households and reduce the poor-nonpoor consumption inequality. The study also indicates the importance of smaller household sizes in ensuring higher welfare levels. The current fertility rate of five children per woman, should be reduced as a matter of urgency as this will reduce the dependency ratio.

Since most Malawians live in rural areas and that they also depend on agriculture for their livelihoods, any policy that aims at reducing poverty must focus on forms of agriculture intensification and diversification that are both market-oriented and sustainable. In addition, effective policies to reduce poverty should also include measures that enhance poor people's access to social services. There is also need to reduce inequalities among the poor and non-poor population through the provision of equitable services for all.

## SUGGESTIONS FOR FURTHER RESEARCH.

A few limitations of this study must be emphasized. The study is limited in that it has only focused on a number of variables leaving out other variables like occupation.

The IHS4 data is not the true reflection of the state of things in 2018 and 2019 hence this study does not include data of these years. Future research therefore, can use the data of the aforementioned years to look at the same variables. A further limitation of the study is that both consumption and income are useful in measuring household consumption expenditure (or in other words, they are useful money metrics of welfare), however, they fall short of non-monetary measures of welfare such as health, security, literacy, leisure, political vote among others in the definition of welfare indicator.

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## **BEIJING IN BAMAKO: BURDENS OF INVOLVEMENT EVEN FOR THE NON-COLONIAL NON-INTERVENTIONIST**

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### **ABSTRACT**

In pursuit of the AU's 'Silence of the Guns', Foreign military involvement on the African continent has become a heavily polarized conversation. China, with its non-colonial ties to the continent and non-intervention policy for the first time sent actual combat troops to a peacekeeping mission in Mali sparking questions about China's changing role in the world. This article takes a different view. It analyses the dynamics that caused China to become militarily involved on the continent. , The paper focuses on the interconnected nature of conflict in Africa, the role of Continental and local authorities, and the role of foreign (extra-continental) authorities in causing Beijing to conclude that it was necessary to become military involved with Bamako. The conclusions drawn will provide recommendations on what areas of continental conflict resolution must be addressed in order to curb foreign military involvement.

### **INTRODUCTION**

Africans have rightfully become weary of the mixed nature of foreign military involvement on the continent, particularly Western interventions. A history littered with assassinations, Western backed coups, and regime destabilization has made any intervention, no matter how “humanitarian” hard to view optimistically along murky colonial ties. However, there seems to be a consistent channel of foreign military involvement pursued by both foreign states and African states alike. Discussing the topic has had little alternative for colonial dynamics; that is until China's participation in Multidimensional Integrated Stabilization Mission in Mali (MINUSMA). In 2013, China for the first time sent combat forces to the United Nations (UN) peacekeeping mission MUNISMA. Though wearing blue helmets, the deployment of Chinese troops on African soil marked a key moment in the relationship between Africa and China in regard to security concerns. The reason for this is China's presence in MINUSMA has three unique features of foreign involvement on the continent that provide a fresh perspective in a traditionally strained conversation. The first is that China is a rising power that does not have colonial ties with the continent. The second is China's military presence (albeit under the UN) in Mali is particularly noteworthy due to China's strong policy of non-intervention. Finally, China's lack of direct (particularly economic) incentives to become militarily involved with Mali. This begs the question: What continental and extra-continental dynamics resulted in a non-interventionist state with no colonial ties to Africa deploying its troops to intervene in an African conflict it had little economic interest in?

This article will briefly examine the African and extra-continental events that defined the Mali conflict and how they compelled China to become militarily involved in the conflict. By doing so the Article wishes to expose three crucial variables, (1) the interconnected nature of conflict in Africa, (2) the role of Continental and local authorities, (3) the role of foreign (extra-continental) authorities. The interaction of these three variables will be used to examine from the Beijing perspective why military involvement became necessary in the Mali conflict. The resulting conclusion will return to the question of what China's intervention under MINUSMA may indicate about the dynamics that result in foreign military intervention on African soil outside of the polarizing colonial context. In answering this question this paper will try to highlight what concerns remain paramount for Africa in establishing dominance over its conflict resolution mechanisms as it pursues the African Union's (AU) goal of 'silencing the guns'.

### **DEFINITIONS**

It is first important to clarify what is meant by foreign military involvement. This is broad concept encapsulates both foreign military presence and forms of intervention. In this paper foreign military involvement refers to the intervention, assistance, or engagement of armed conflict within Africa by one or





more extra-continental states. On the opposite end the concept of non-intervention will also be critical for understanding the Chinese perspective in foreign military involvement. Traditionally non-intervention is a legal prohibition of the use of force, as well as a requirement that a state not intervene in the internal or external affairs of other states in coercive ways not involving the use of force. The scope of non-intervention is often debated. It is difficult to separate what is intervention and what is meddling. The Chinese position on this definition is unique, in that rather than look for a clear-cut distinction between intervention and meddling, the Chinese definition puts the two on a similar platform. Non-intervention or non-interference is a long-standing defining feature of Chinese foreign policy. The term 'non-interference' is also often used in Chinese foreign policy publications. The interchange between interference (干涉) and intervention (干预) in Chinese policy reflects the fragmented boundary between meddling and legitimate diplomatic practice. As Chen argues The Chinese government has not made any clear distinction between these concepts to ensure an ambiguity that creates space for diplomatic flexibility. Consequently, when referring to non-intervention this paper will be referring to the concept interchanged between non-interference and non-intervention in the Chinese context. This broad concept of non-intervention will, however, be limited to military (force) of intervention for the purposes of this paper.

## **THE MALI CONFLICT**

### **The Interconnected Nature of Conflict in Africa**

The Mali conflict can be broken into three main variables. These analyze the interactions and expressions of the conflict. The first is the interconnected nature of conflict in Africa. As stated in the Common African Defense and Security Policy, “security of each African country is inseparably linked to that of other African countries and the African continent as a whole”. The Mali conflict is an explicit example of this. The timeline of the Mali conflict is universally understood as being one of the many destabilized countries in the Sahel catalyzed by the fall of the Qaddafi government in Libya in 2011 and the resulting military chaos. The arming and infiltration of rebels and extremists in Northern Mali is directly correlated with the war and instability in Libya. This is more explicitly understood when taking into account the role of local and foreign authorities in the conflict.

## **THE ROLE OF CONTINENTAL AND LOCAL AUTHORITIES**

### **The Malian Government**

The modern Malian nation faced an uphill battle from the onset of its creation in 1960. Julius Nyerere, the father and first president of the modern state of Tanzania accurately described one of the core challenges faced by Mali along with all continental African countries, noting “It is impossible to draw a line anywhere on a map of Africa which does not violate the history or future needs of the people”. Mali's borders were imposed by colonizers and this was and still is problematic for a number of reasons. The most prominent difficulty is that the borders ignore the historical, cultural, and socio-political identity of Mali's inhabitants. Consequently, under democratic governance, identity conflicts and discrimination are constantly enflamed, especially since a dominant ethnic group holds political power. Upon independence, Mali's government was tasked with somehow establishing an entire national system that was inclusive and turned output to meet the Malian people's needs. This task Mali's government, and all African government's face, is one with little room for error. In January of 2012 it became clear that the Mali government had not met this task and failed to make a nation for all Malians. A historical lack of understanding and mutual distrust between Bamako (the capital city) and the northern territories of Mali, worsened by underdevelopment of the North in comparison to the South, as well as poor political representation for the North in government, all but sealed Mali's fate. The extremist group Ansar Dine, which was fundamental to the conflict, found sympathizers and a base in the disenfranchised Northern Tuareg territories. It is this failure to support and include the North that formed the basis of a stronghold for violent rebellion against the government.

Poor support and inclusion of the North also included weak mechanisms to maintain the territory along the northern border. It is easy to forget just how massive Africa and its countries are. Taking Mali as a key example, around 1,240,000 square kilometers in size with a population of 19.1 million that is more than double France's continental size with three and a half times smaller the population. Mali's border control was



stretched thin with such a large territory and the already relatively small population centralized around major cities in the South. Poor governance and inclusion of the North exacerbated the situation. Ample claims of nepotism and corruption with senior officers diverting resources for personal gain led to Mali's northern border forces being badly equipped, poorly trained, and suffering from low morale. The Northern border which pushes deep into the Sahara Desert was consequently more porous. This allowed radical groups from surrounding territories to feed insurgents, weapons, and logistic lines into the territory quietly building Ansar Dine and other extremists. It is precisely this weakness that allowed insurgents and extremist from a destabilized Libya as well as other northern and Western African groups such as Le Mouvement pour l'unicité et le jihad en Afrique de l'Ouest, Boko Haram, and Al-Qaeda in the Islamic Maghreb to establish themselves in the north of Mali. The government's disregard and eventual inability to control extremist groups in the north among the other governmental difficulties it was facing resulted in a military coup in March of 2012 that removed then President Amadou Toumani Touré. However, the new government under former Acting President Dioncounda Traoré found itself also unable to deal with the demands of addressing the now collated extremist groups in the North and frantic concerns in the South. Resulting in the government calling for external assistance.

## **THE CONTINENTAL RESPONSE**

### **ECOWAS**

When the Mali government found itself overwhelmed by the situation in the North two main entities were meant to lead a response on the continent: The Economic Community of West African States (ECOWAS) and the AU. ECOWAS has two main security mechanisms. The first is the Mechanism of Conflict Prevention 1999 (1999 Mechanism). In accordance with Article 3 of the 1999 Mechanism the ECOWAS Standby Force (ESF) was created. The second mechanism available is the 2001 Protocol on Good Governance and Democracy (ECOWAS 2001 Protocol). Article 45 (1) ECOWAS 2001 Protocol states that "in the event that democracy is abruptly brought to an end by any means or where there is massive violation of Human Rights in a member state, ECOWAS may impose sanctions on the state concerned". It is under Article 45 (1) ECOWAS 2001 Protocol that ECOWAS became involved in Mali, in response to the military coup of March of 2012. ECOWAS immediately suspended Mali accordingly and initiated response procedures. Like clockwork the procedure brought forward a promising plan. A Technical Assessment Mission (TAM) to Mali in mid-July of 2012 with the Malian Prime Minister and ECOWAS, as well as AU and UN representatives brought forward a strategy to deploy the ESF as part of a multidimensional ECOWAS Mission in Mali (MICEMA). However, MICEMA never deployed. The reason for this was ECOWAS's lack of financial and logistical resources for the mission and the failure to coordinate and secure support from the UN and the AU.

### **THE AFRICAN UNION (AU)**

From the onset of the Mali conflict it seems as though the AU found itself constantly needing to catch up to other actors. Following ECOWAS's March response the AU released its response to the Mali conflict in April. The AU's sluggish response was extremely harmful and it was very much aware of this. With the additional pressure from the October Security Council Resolution 2071, which set a deadline for both African organizations and the UN secretary general to provide a plan, the AU finally declared a strategy. The plan, authorized by UN Security Council Resolution 2085, was an African-led International Support Mission to Mali (AFISMA) to be deployed in September 2013. However, three challenges drastically changed AFISMA's trajectory. The first was a sharp disagreement between the UN and the AU in terms of funding. Though the Security Council authorized AFISMA, it did not follow the AU's request to create a UN funded support package for the mission. Second, with the Mali conflict involving Libya (a non-member state of ECOWAS), a dispute arose as to whether the AU or ECOWAS would lead the mission. The conflict resulted with the AU taking the lead, under the aegis of ECOWAS. Third, the rapid deterioration of security in Mali while the AU organized itself and the Malian government's resulting bilateral oriented request for assistance with the French. By the early January the extremist militants had captured strategically important towns and had now established a concerning clear aggression towards Bamako.



## THE ROLE OF FOREIGN POWERS

While the AU, ECOWAS, and the UN found themselves in mild but time-consuming disputes France acted. In January 2013 France with Western approval launched Opération Serval. This action was not without its notable problems. The ignoring of the option of channeling resources through the African mechanisms as a less intrusive assistance, the seeming disregard for the regional and continental frameworks, and the scramble back to interference to protect strong economic security interests in the Sahel region all are concerning. However, France argued that ECOWAS meetings “were inconclusive and the feeling in Paris was that many African players wanted to benefit from the Malian crisis, but were not interested in solving it”. What cannot be ignored is that real lives, and interests were saved by the intervention and by the end of January all the major population centers in northern Mali were retaken and the rebels were displaced. It was the rapid success of France in Mid-January that spurred the quarrelsome ECOWAS-AU-UN framework to abandon their September 2013 plan and deploy the first AFISMA troops on 18 January. The massive successes resulted in a provisional peace agreement between Bamako and the Taureg rebels in June 2013. This progress allowed for elections in July 2013. However, the peace was not to last, and frequent sporadic attacks maintained the North in a state of conflict. To address this and to establish the whole state of Mali once more, providing protection to citizens, interests, and historical sites MUNISMA was authorized April 2013 under UN Security Council Resolution 2100. The French lead was respected and progress towards stabilizing the whole Sahel became one of the new goals. It is under MUNISMA in January 2014, that China's deployed combat troops set foot on Malian soil.

## CHINA

The non-intervention stance taken by China has its contemporary roots in the 1950s and most explicitly in the 1960s. Originally defensive, non-intervention ensured an international principle of “(mutual) non-interference” with other newly independent countries in Asia and Africa as competition between the Soviets and the West escalated while China was trying to secure its new nation. As China began to rise, a difficult balance became more and more apparent. The more China engaged with the outside world and became largely invested, especially in less stable regions, the more its policy to not intervene came at considerable costs. The entire timeline of Mali would have been abundantly apparent to the Chinese government. However, Mali, and the conflict that had consumed the country, was not in and of itself a major relational concern for China. The bilateral economic links between the two nations were not significant enough to demand anything outside of China's traditional practices. Mali also does not share geographic proximity with China, nor does Mali have a noticeably strong historical, cultural, or security connection to China. This paper argues that China took into account the three variables mentioned above in deciding to become militarily involved in Mali.

First, the interconnected nature of conflict in Africa. A resounding background of literature links China's presence in Mali to the possible threat a destabilized Mali would pose to the rest of the Sahel, a region where China has considerable interests. Ghiselli notes a key example in Algeria, which shares a long border with Mali. He argues that Algeria and other states reaching even to Sudan would be critically in danger in the case of a failed Mali state. Algeria hosts the largest number of Chinese contract workers in North Africa and at the time of the conflict in Mali the total value of the engineering and construction projects awarded to Chinese companies in Algeria was around USD 61 billion. Algeria would have been one of the states in the region where billions of USD worth of Chinese investments were at risk with Mali's conflict by virtue of the interconnected nature of conflict in Africa, prompting China to intervene.

China would also be aware of the weak local and intra-continental responses observed not just in Mali but in China's own experiences with less stable regions in the continent. In January of 2012 South Sudan unilaterally stopped oil production during its civil war, resulting in the loss of hundreds of millions of dollars to Chinese companies. A few days later 29 Chinese citizens were taken hostage by the extremist Sudan People's Liberation Movement North (SPLMN). As in Sudan, as China sought to codevelop projects in Africa, weak local governments were unpredictable and could do little to protect their own, let alone Chinese



interests. Additionally, internal checks and balance structures within the country failed to use effective resolution mechanisms. Although they are drastically becoming less frequent, 40 military coups removing heads of state have occurred in Africa. Where the issue lies is that the overthrow of regimes without a robust plan to resolve the problems that brought the coup about in the first place, characterizes not only Mali but countries as far North as Egypt and as far south as Zimbabwe. Local measures to address instability are consistently not meeting the mark. Regional responses have also been ineffective. As discussed above, China would have observed the escalating progress of the extremists as they took more and more towns and made their way South. The initial response by ECOWAS was promising but the lack of funding and coordination that resulted in MICECA never deploying was one of many blows to the confidence of stakeholders in the region. The Continental agent, the AU also left stakeholders disappointed, with disputes with the UN, slow responses, and seeming failure to consolidate the overlap and interaction between itself and ECOWAS.

When looking at the role of foreign governments, China would have noticed that long time stakeholders in the continent were willing to go back on their word than trust Africa's conflict resolution. In October of 2011 France had declared that its support for the Malian government would be restricted solely to material goods and yet with the delays of ECOWAS, the AU, and the UN France was willing to endure the controversy of going back on its word to secure its interests in the region. Lanteigne notes how when France went back on its word and deployed its troops China called once again for an "African-led" intervention rather than condemn the unilateral action, a clear default to China's non-intervention policy but with signs of a more flexible position. He goes on to note how analysts recommended China's traditional response of non-intervention, arguing the former colonists were simply seeking a stronger strategic presence in Africa and France in particular, as was its tendency, was pursuing economic aims in Western Africa. Fung in a fairly similar line with Lanteigne argues that China ultimately made its decision to send troops to Mali because of its identity as simultaneously a great power and a Global South member. This entailed that China behaved under both its responsibilities of a powerful UN member and with respect to its fellow Global South counterparts. Zheng as well as Verhoeven argue that China's losses prior to Mali had become too much to maintain the same form of non-intervention. China made an economic calculation and chose to assist in protecting its interests. These two conclusions are the main categories in which China in MUNISMA is perceived. Both, however, demonstrate a clear lack of confidence in the local, regional and continental responses.

## CONCLUSION

The central question when observing China's involvement in MUNISMA, is what dynamics caused the non-colonial non-interventionist state to get involved in the Mali conflict. Three variables involved in the conflict that are applicable to other conflicts in Africa were noted, these were namely: the interconnected nature of conflict in Africa, the role of continental and local authorities, and the role of foreign powers. When assessing involvement in the Mali conflict, it is highly plausible that China took into account four main issues with the intra-continental conflict resolution mechanisms. First, the interconnected nature of conflict was a dominant factor in compelling involvement even if direct interests were not involved. Second, some of Africa's relatively new nations dealing with the colonial dynamic of borders and extremists in their territories have difficulty creating a government that represents all its people, as well as one that can hold its own against extremist infestations. A tendency of opting for coups to remove incompetent regimes has often been marked with equally ineffective incoming governments. Thirdly, where these nations fail, the regional communities lack the funding and coordination to provide an effective regional response. The continental response of the AU has been slow to react and issues such as funding delay it even further as it discusses with the larger international community. Lastly, with time being of the essence, what is clear is foreign stakeholders have such low confidence in the continental mechanisms that they would even risk controversy to secure their interests. These dynamics on the continent resulted in China becoming militarily involved in Africa. As Africa pursues the goal of continental peace, it must first tackle those dynamics that cause extra-continental states to get involved in its conflicts, especially if those who would prefer not to be involved still find themselves sucked into war. Strengthening regional cooperation is fundamental to Africa's progress and potentially game changing for its international relations. A world where Africa's voice is the loudest in determining what happens on African soil is one that would reflect the silence of the guns.



## MARKET EFFICIENCY THEORY IN AFRICAN MARKETS

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### ABSTRACT

African financial markets accommodate fewer international investors due to several reasons including its weak status in the market efficiency hypothesis. Studies have confirmed this along the years; however, the slow but steady evolution in these markets can also be noticed. This study covers eight (8) African financial markets and tests them under weak form in the market's efficiency forms. This form has been divided into three (3) categories based on the random walk concept (RW3, RW2 and RW1). Results show that only two (2) markets – Johannesburg Stock Exchange (JSE) and Uganda Stock Exchange (USE) – were able to meet the criteria of RW1. Three (3) markets (Kenya Stock Exchange, Lusaka Stock Exchange and Mauritius Stock Exchange) have failed right at the lowest form of weak efficiency form and the remaining four (4) were taken to the next test (RW2). Two (2) of them (Bourse Regionale de Valeurs Mobiles - BRVM and Nigeria Stock Exchange - NSE) also failed and the highest weak efficient form (RW1) test was carried out under the remaining ones (Johannesburg Stock Exchange and Uganda Stock Exchange) which they again successfully passed.

### INTRODUCTION

For several decades, the question of market efficiency hypothesis has been of interest to investors, financial systems regulators and all other stakeholders of financial markets. Different players, in fact, have different interests in financial markets. While regulators strive to make their markets the most efficient possible and attract more investors, some other players spend time and effort to beat the market. This question of market efficiency hypothesis has also not been an exception in African financial markets.

The African continent with its financial markets, composed mostly of Least Developed Countries (LDC), have always appeared to be a one-way subject of discussion on efficiency matter, whereby the presumption of weak form efficiency is dominant. Sometimes, it may even be concluded that financial markets on the continent can be qualified as last form in the weak market efficiency categorization (Ntim, Opong, Danbolt & Dewofor, 2009).

Along the years, some studies have determined the status of these markets; unfortunately, these have confirmed the numerous prejudices. Many studies relating to market efficiency with respect to African stock markets have been conducted; Appiah-Kusi and Menyah (2003) found the stock markets of Botswana, Ghana and The Ivory Coast to be weak-form inefficient for the periods of 1990 to 1995. The findings for Ghana and Botswana were consistent with those by Magnusson and Wydick (2002) in which the markets fail the random walk 3 and random 2 tests. Smith et al (2002) found Egypt, Morocco and Mauritius do be weak-form inefficient for the period of 1990 to 1998 for Morocco and Mauritius and from 1993 to 1998 for Egypt. Bundoo (2000) reached the same conclusion for the stock exchange Mauritius. However, most of these studies point out observable improvement of the markets in African economies. This shows a need to conduct frequent analysis and observe how the continent is experiencing evolution of its financial markets. Therefore, a paper with wider scope than the previous ones will be imperative to cover many determinant factors playing a role in the status of market efficiency of the African markets. This present study seeks to contribute to this effort.

### MARKET EFFICIENCY HYPOTHESIS DEVELOPMENT HISTORY

Business cycle theoreticians have shown that the size and the evolution of the economy over time can clarify and predict the boom and the progress of the dominant periods. A natural candidate for analysis was the behavior of stock market prices over time. It assumes that stock prices reflect the expectations of firms, economic performance summaries and recurring patterns of fluctuations.



These prices should be seen. Maurice Kendall shows this suggestion in 1953. Kendall was a British statistician, widely known for his contributions to correlation and statistics. With a big surprise, he realized that he could not predict the shape of stock prices. The prices seemed to be random. Regardless of their performance in the past, they would have gone up so low in a day.

The data made no attempt to predict price movements. First of all, the results of Kendall were uncomfortable for economists who were not alleged about them. It does not follow the stock market, market psychology, or the 'animal spirit' mantra (Narayan, 2019). In short, the end-result is the illogicality of the market. He reversed the interpretation of Kendall's work. The short trading price quote is not unreasonable, which is well functioning or a valid market emerged.

When you invest money in the stock exchange, it is aimed to earn a return on the invested capital. Many investors do not only try to make a profitable return, they also try to perform better, to beat the market. Nevertheless, in the active market hypothesis formulated by Eugene Fama in 1970, market activity suggests that prices fully reflect all available information on a particular stock and / or market.

### **MARKET EFFICIENCY ASSUMPTIONS**

The primary assumptions of the efficient market hypothesis (EMH) are that information is universally shared and that stock prices follow a random walk, meaning that they are determined by today's news rather than yesterday's trends (Fama, 1970). The strength of these assumptions, however, depends on the form of EMH under consideration.

The weak form of the theory states that public market information is fully reflected in prices and that past performance has no relationship with future returns – in other words, trends do not matter. The semi-strong form says that stock prices are updated to reflect both market and non-market public information. The strong form states that all public and private information are fully and immediately factored into prices (Fama, 1970).

The assumptions about information underlying EMH vary depending on the form, with the weak form of the hypothesis assuming that only public market information is known to all market participants and the strong form assuming perfect information transparency. In all forms, future stock price movements are assumed to be independent of past stock price movements – this has been referred to as the random walk (Regnault, 1863).

The implication of EMH is that the market cannot be beaten because all information that could predict performance is already built into the stock price. High frequency trading is one example. Over time, it has been shown to contribute to market efficiency, implying that markets were not efficient before.

### **LITERATURE REVIEW**

According to Enisan and Olufisayo (2008), financial development is seen as contributing to economic growth through various channels including:

- (i) Efficient allocation of capital as the proportion of financial saving in total wealth rises.
- (ii) Mobilization of savings by providing attractive instruments and saving vehicles.
- (iii) Provision of financial vehicles for trading, pooling and diversifying risk.
- (iv) Lowering of cost of gathering and processing information and thereby improving the allocation of resources.
- (v) Increased specialization in production, development of entrepreneurship and adoption of new technology.

In short, it is argued that the existence of a well-functioning financial sector will assist in the mobilization of limited resources from the surplus units to the deficit units, thereby promoting efficient allocation of resources and thus lead other economic sectors in their growth process (A. Enisan & Olufisayo, 2008).





The achievement of setting up a strong financial system requires many components to be efficient as well. One of these is a robust stock market. Stock markets are the largest form of financial markets. Looking at the nature of financial market forms – weak, semi-strong and strong- it can be presumed that strong market efficiency form in real life would be inexistent. It should be reminded that a market efficiency is referred to as strong form when investors, using published and unpublished information, can still not grant abnormal profits (Fama, 1970).

With regard to this complexity of market efficiency hypothesis, the most developed stock markets notably New York Stock Exchange (NYSE), Nasdaq, Japan Exchange Group, London Stock Exchange (LSE), and Shanghai Stock Exchange though ranked as top five in 2019 by the World Federation of Exchanges would fall under semi-strong market efficiency form. The existing empirical evidence on Africa is not comprehensive and controversial, and there is no consensus on the inefficiency of African stock exchanges (Vitali & Mollah, 2010). The majority of developed financial markets as a whole have proved to be weak-form efficient (Kendall, 1953: Fama, 1970: Vitali & Mollah, 2010). The evidence from emerging countries is controversial. Most studies conducted in emerging markets have studied the Asian and Latin American stock markets, with mixed results. Empirical evidence generated by African stock markets is not as good as others Emerging Markets (Vitali & Mollah, 2010).

### **MARKET EFFICIENCY HYPOTHESIS STUDIES IN AFRICAN MARKETS**

Dickinson and Muragu (1994) conducted an empirical study focusing on a single African market. Through serial correlation analysis and operational testing, they provided the Nairobi Stock Exchange with results that are not contradictory to the efficiency of the weak form. Olowe (1999) studied the Nigerian stock market through serial correlation test and came to the same conclusion.

On the other hand, Bundoo (2000) and Olowe (1999) show a significant positive first-order autocorrelation of returns, which means that the formal efficiency of the Mauritius Stock Exchange is inefficient

As a result, it has been judged necessary to perform a test of selected African stock markets under weak-form market efficiency. Most of these economies are in the process of development and their financial systems have recorded remarkable improvements the last two decades.

Financial investment flows to developing countries have soared as investors, seeking the diversification and often-high expected returns associated with foreign investment, have eagerly channeled resources toward the new emerging stock markets. The growth in stock markets in the emerging economies has reflected the increased demand for such transactions and the lower costs of investing in international markets (Magnusson and Wydick, 2002). The efficiency of the stock market in the economic development of a country cannot be overemphasized. The stock market provides a tool for mobilizing savings and investment resources for development purposes. Second, the stock market provides opportunities for investors to diversify their investment portfolios (Simons and Laryea, 2005).

The establishment of these equity markets in Africa and other developing regions is potentially beneficial for both developing economies and international investors (Yartey and Adjasi, 2007). Considerable evidence points to beneficial effects of well-functioning equity markets on the economic growth process in developing countries. Because of their greater wealth, investors in industrialized countries are in a better position to absorb the risk associated with investment projects in Least Developed Countries (Magnusson and Wydick, 2002 Snowden, 1997). By bearing this risk, international investors can benefit by reaping the gains associated with high expected yields that have low correlations with existing investments in industrialized countries (Magnusson & Wydick, 2002).

Nevertheless, small markets such as those of emerging stock markets in Africa and Asia are often viewed as subject to manipulation by insiders at the expense of other investors. It is important, therefore, that these stock markets are able to pass at least the lowest test of speculative efficiency because there is a contrast



between the emerging African markets and the developed markets; it is suggested that African emerging markets have higher average returns and volatility than developed markets (Nwosu, Orji & Anagwu, 2014). Also, some critics believe that in developing countries, stock markets may not function effectively, and given the high costs and poor financial structure, it is impossible for all African markets to promote stock markets (Singh, 1999).

## **THE EFFICIENT MARKETS HYPOTHESIS AND PREVIOUS TESTING IN DEVELOPING COUNTRIES**

For a stock market to be efficient in the weak form, movements in prices of the market's underlying securities must be characterized by a random walk based on currently available information (M. Magnusson and B. Wydick, 2002). From Fama [1970], the strong form of the efficient markets hypothesis states that an equity market efficiently converts all information into accurate security prices such that no information of any kind, public or private, will help investors achieve superior returns. The semi-strong form of the hypothesis states that equity markets accurately process all publicly available information. This renders techniques such as fundamental analysis, exploiting differences between discounted expected earnings and current prices, useless for predicting future returns. The weak form of the efficient markets hypothesis states that past stock market information is irrelevant for predicting future movements in stock prices. Though no stock market is generally believed to be strong form efficient, most early tests of stock markets in industrialized countries have typically been unable to reject null hypotheses of semi-strong and weak form efficiency (Fama, 1970).

Some other studies, however, have tested for weak-form efficiency in developing countries, focusing primarily on the emerging Asian economies, the Latin American markets, and the Middle East. Chan, Gup, and Pan (1992), for example, use unit root tests that show weak-form stock market efficiency in Hong Kong, South Korea, Singapore, and Taiwan. Liu, Song and Romilly (1997) find that both the Shanghai and Shenzhen Chinese stock market indices are characterized by a random walk and are thus weak-form efficient, although co-integration tests indicate joint inefficiency between the two markets, i.e. past returns from one market can be used to predict returns in another. Groenewold and Ariff (1998), carrying out unit-root tests on a set of ten stock markets in the Asia/Pacific region, find some evidence of violations of weak-form efficiency, yet they find the violations fairly mild in most markets.

In a test on Latin American stock markets, Urrutia (1995) finds that these markets generally fail to pass tests of weak-form efficiency in that they do not follow a random walk. However, he finds them weak form efficient by means of a runs test, implying that investors are unlikely to be able to develop trading strategies to earn excess returns.

El-Erian and Kumar (1995) find some departures from weak-form efficiency in Middle Eastern stock markets, but emphasize the serial dependence is sufficiently weak that it likely has little value in predicting future prices. Their finding is consistent with that of Butler and Malaikah (1992), who find statistically significant autocorrelation in the stock markets of Kuwait and Saudi Arabia.

In tests using 1976-92 data carried out on 20 emerging equity markets (including Nigeria and Zimbabwe), Claessens et al. (1995) find significant first-order autocorrelation in stock market returns in Chile, Columbia, Greece, Mexico, Pakistan, the Philippines, Portugal, Turkey, and Venezuela. They also find Ljung-Box Q-statistics reflecting significant autocorrelation to twelve lags for Chile, Columbia, Mexico, Pakistan, Greece and Zimbabwe.

Two pieces of research that focus specifically on African markets are Dickinson and Muragu (1994) and Olowe (1999). Dickinson and Muragu create a database of weekly prices over ten years of the 30 most actively traded equities on the Nairobi Stock Exchange. They fail to find evidence inconsistent with weak-form efficiency in the stock exchange by means of both runs tests and Q-test statistics, but suggest that a number of studies must be carried out on any market using a variety of methodologies to draw firm conclusions about weak-form efficiency. Olowe (1999) carries out tests using monthly data on 59 randomly



selected securities from 1981-92 on the Nigerian Stock Exchange. He finds the Nigerian market to conform to weak-form efficiency in joint Q-tests of partial autocorrelation coefficients for ten lags in the return data, though he argues that poor informational flows and inefficient communications systems cast doubts on the ability of the market to pass higher hurdles of efficiency.

Mecagni and Sourial (1999) employed the Generalized AutoRegressive Conditional Heteroscedastic (GARCH) estimating techniques to show that the four best-known daily indices on the Egyptian stock market indicated significant departures from the efficient market hypothesis. Osei (2002) investigated the asset pricing characteristics and the response to annual earnings announcements of the Ghana Stock Market (GSM). By measuring the abnormal and cumulative abnormal returns of selected securities on the GSM, he concluded that the GSM is not efficient with respect to annual earnings information releases to the Ghanaian market.

### **AFRICAN EQUITY MARKETS**

African markets have a long-time history of neglect by international investors (Simons and Laryea, 2005). They have frequently been hard to penetrate, located in war-torn regions or in countries subject to sanctions - as was the case in South Africa, Libya etc. The African stock markets vary tremendously in their size, liquidity, and openness, yet most are thinly traded. With the tremendous increase of direct and indirect foreign investment, many African countries have witnessed changes in their economies (Simons and Laryea, 2005).

With international companies operating in these countries, the number of quoted firms in stocks markets increases; this is also backed up by lots of local firms, which realize the advantages of going public. In addition, financial literacy is also growing in many African countries; as a result, many players (investors and other players) of the financial markets in these countries are locals.

The Johannesburg Stock Exchange in South Africa has more companies listed, and far greater market capitalization, than all the other markets combined, and is comparable to the data for the larger, more developed markets of Latin America and Asia. There is a very large step down to the second and third largest equity markets, that of Nigeria which are then followed in size by Kenya, Mauritius, Cote d'Ivoire, Ghana, and Botswana, respectively. There are other very small sub-Saharan stock markets in Namibia, Swaziland, and Zambia. It should be reminded that the stock market in Cote d'Ivoire is a regional stock exchange and recounts those in Senegal, Mali, Benin, Togo, Cote d'Ivoire, Niger and Burkina Faso. Returns in the major African stock markets during the 1990s were high, but very volatile. The IFC Nigerian stock market index, for example, showed an average gain of 26.4 percent through the ten years prior to 1999. For Zimbabwe, the average yearly return was 16.8 percent during this period, while the more mature South African stock market yielded a more modest return of 12.3 percent (IFC, 1999).

The long-term high yields in markets such as Nigeria and Zimbabwe, however, come at the expense of nearly heart-stopping volatility: While the Zimbabwe index rose 143.8 percent during one year (in 1993), it plummeted by 59.8 percent during the previous year, 1992 and by 53.3 percent in 1997. While the yield on the Nigerian index was 190.9 percent in 1994 and 63.0 percent in 1996, the index registered declines of 34.9, 20.9, and 25.1 percent in 1992, 1995, and 1998 respectively. Yet the high returns over the long horizon have not remained unnoticed: at least twelve financial institutions had by 1996 created "Africa funds", with capitalization of about \$US 1 billion, which solely target African markets (Mobius, 1996).



**Table 1: African Stock Markets, 1998**

| African Market | Number of Firms 1998 | Market Capitalization (\$US millions) | Value traded (\$US millions.) | Turnover Ratio | Avg. Index Growth 1989-98 |
|----------------|----------------------|---------------------------------------|-------------------------------|----------------|---------------------------|
| Botswana       | 14                   | 724                                   | 70                            | 10.5%          | N/A                       |
| Cote d'Ivoire  | 35                   | 1818                                  | 39                            | 2.5%           | N/A                       |
| Ghana          | 21                   | 1384                                  | 60                            | 4.8%           | N/A                       |
| Kenya          | 58                   | 2024                                  | 79                            | 4.1%           | N/A                       |
| Mauritius      | 40                   | 1849                                  | 102                           | 5.8%           | N/A                       |
| Nigeria        | 186                  | 2887                                  | 161                           | 4.9%           | 26.4%                     |
| South Africa   | 668                  | 170,252                               | 58,444                        | 29.1%          | 12.3%                     |
| Zimbabwe       | 67                   | 1310                                  | 166                           | 10.1%          | 29.4                      |

*Source: M. Magnusson and B. Wydick (2002).*

## DATA AND TESTING

Data for eight (8) stock exchanges in different African countries were collected; these BRVM – Bourse Regionale des Valeurs Mobiles (Cote d'Ivoire and other West African Countries), Botswana Stock Exchange (BSE), Kenya Stock Exchange (KSE20), Lusaka Stock Exchange (LSE), Stock Exchange of Mauritius (SEMDEX), Nigeria Stock Exchange (NSE30), Johannesburg in South Africa (JSE) and Uganda Stock Exchange (USE). These stock exchanges are all member of the African Securities Exchange Association.

In carrying out the weak form these market, data were collected from Investing.com. The selected markets trade securities from at least 10 firms; they have market capitalizations of at least \$5 Billion. Monthly data were collected from January 1998 to January 2018 depending on the age of the market and its data availability. Basic data of the markets are highlighted in Table 2.0.

**Table 2.0: Basic Data - African Stock Markets, 2016**

| Stock Market                         | Number of Firms 2016 | Market Capitalization (\$) | Average Weekly Trade Volume (\$) |
|--------------------------------------|----------------------|----------------------------|----------------------------------|
| Johannesburg Stock Exchange (JSE)    | 338                  | 970 Billion                | 3.7 Billion                      |
| Nigeria Stock Exchange (NSE)         | 190                  | 114.2 Billion              | 116.9 Million                    |
| Kenya, Nairobi Stock Exchange (NSE)  | 61                   | 20.6 Billion               | 44.1 Million                     |
| Stock Exchange of Mauritius (SEMDEX) | 91                   | 8.5 Billion                | 10.4 Million                     |



|   |    |               |             |
|---|----|---------------|-------------|
| Botswana Stock Exchange (BSE)                 | 37 | 54.1 Billion  | 4.9 Million |
| Bourse Regionale des Valeurs Mobileres (BRVM) | 72 | 10.5 Billion  | 5.6 Million |
| Zambia, Lusaka Stock Exchange (LSE)           | 22 | 10.2 Billion  | 4.3 Million |
| Uganda Stock Exchange (USE)                   | 15 | 5,711 Billion | 2.9 Million |

*Sources: Nanyang Technological University – Centre for African Studies (2016)*

Markets were analyzed individually and independently to observe weak form efficiency. Campbell, Lo, and MacKinley (1997) and Magnusson and Wydick (2002) categorise three successively stronger tests of random walk, a process that implies weak-form efficiency in time series data. The least restrictive of these categories is a Random Walk 3 (RW3). In a market that complies with RW3 it is not possible to use information on past prices to predict future prices, i.e. price movements of securities in a market conforming to RW3 have uncorrelated increments. A market conforming to RW3 is characterized by a random walk and is therefore efficient in weak form.

However, this happens to be the least efficient of weak form market efficiency. In such a market, the absence of serial correlation in returns implies that prices are not being driven by insider manipulation or lack of investor liquidity over long periods.

In the test (RW3), Partial Auto-Correlation Function (PACF) of random increments of past price information on each market  $k$  lagged values is observed. The increments are examined if they are statistically different from zero. The  $k$ -lagged values represent the number of observations or available data being analyzed. It should be reminded that these observations are relative to the data available for the markets.

Weak-form efficiency implies that expected increases in the price of an asset should not exceed some normal return  $\mu$  over the specified interval, or:

$$E[p_t | I_{t-1}] = \mu$$

where  $p(t)$ 's are incremental changes in log prices at time  $t$ , and  $I_{t-1}$  represents the information set available to market participants at  $t-1$ . To satisfy weak-form efficiency in conforming to an RW3, future changes in the price of assets must be uncorrelated with past changes in prices. The PACF coefficients can be observed for the existence of autocorrelation. However, no further restrictions on the price increments at time  $t$  is imposed by the test of a market conforming to an RW3. To observe the correlation of the price increments along the years, a simple Correlogram Specification is used.

To conduct quite a more in-depth analysis, wider restrictions can be used. This is due to the fact that RW3 seems to be weak in some prediction possibilities; an example of this the use of variance of past prices to predict future volatility of the market. Consequently, investment using this information might end up making supernormal profits. Considering the fact the increments are independent and non-identically distributed (INID), there would be a new condition on RW3; hence RW2 would be filling this new condition. A test for conforming to RW2 implies a test for RW3 plus a test to ascertain the correlation of squared incremental price changes.





This would explanatory depict that the variance of tomorrow's innovation in the market is unforecastable from past variances in time series. Consequently, a non-significance difference from zero (i.e if not significantly different from zero) of the past price information in the market will then mean RW2 condition is met. Thus, it is not possible to predict future volatility by referring top past volatility. In an RW2, variance can change over time (may be heteroskedastic), but it must change over time in an unpredictable manner. To conduct this test, a Variance Ratio Test with Random Walk Innovation is used.

The most accepted form of random walk in a weak market efficiency form is RW1. Under RW1, it is neither possible, examining past price information to predict future price movements nor future volatility. Random prices increments are independent and identically distributed (IID).

A test for RW1 will recall heteroscedasticity test on the price time series. RW1 puts much heavier restrictions; in the aim of testing individual markets under RW1, Breusch-Pagan-Godfrey for heteroscedasticity test is used.

## ESTIMATION OF RESULTS

**The results of the observations is displayed in table 3.0 below.**

Results show that the hypothesis of future prices being uncorrelated with past prices for markets in Cote d'Ivoire, Nigeria, South Africa and Uganda can be not rejected. These markets are indeed are characterized by random walk of RW3. However, markets in Kenya, Lusaka (Zambia) and Mauritius are proved to have correlated future prices to past prices; consequently, they do not meet the criteria of random walk of RW3. The hypothesis of future prices being correlated to past prices is reject at 95% confidence level.

**Table 3.0: Autocorrelation Observation of Stocks Prices (RW3 Test)**

**Source:** Author's Computation

| Market (and Observation)    | Partial Autocorrelation Test for RW3 |        |        |       |
|-----------------------------|--------------------------------------|--------|--------|-------|
|                             | AC                                   | PAC    | Q-Stat | Prob. |
| <b>Kenya KSE20</b>          |                                      |        |        |       |
| 1 (01/1998)                 | 0.161                                | 0.161  | 6.2709 | 0.012 |
| 2 (02/1998)                 | 0.110                                | 0.086  | 9.2011 | 0.010 |
| 3 (03/1998)                 | 0.156                                | 0.131  | 15.177 | 0.002 |
| 4 (04/1998)                 | 0.173                                | 0.130  | 22.563 | 0.000 |
| <b>Cote d'Ivoire (BRVM)</b> |                                      |        |        |       |
| 1 (03/2006)                 | 0.0167                               | 0.167  | 4.0494 | 0.044 |
| 2 (04/2006)                 | 0.149                                | 0.125  | 7.2972 | 0.026 |
| 3 (05/2006)                 | 0.071                                | 0.030  | 8.0424 | 0.045 |
| 4 (06/2006)                 | -0.014                               | -0.049 | 8.0705 | 0.089 |
| <b>Lusaka (LSE)</b>         |                                      |        |        |       |
| 1 (08/2004)                 | 0.300                                | 0.300  | 14.722 | 0.000 |
| 2 (09/2004)                 | 0.184                                | 0.104  | 20.337 | 0.000 |
| 3 (10/2004)                 | 0.301                                | 0.244  | 35.340 | 0.000 |
| 4 (11/2004)                 | 0.190                                | 0.043  | 41.347 | 0.000 |
| <b>Mauritius (SEMDEX)</b>   |                                      |        |        |       |
| 1 (01/1998)                 | 0.256                                | 0.256  | 15.977 | 0.000 |
| 2 (02/1998)                 | 0.126                                | 0.065  | 19.877 | 0.000 |
| 3 (03/1998)                 | 0.220                                | 0.186  | 31.766 | 0.000 |
| 4 (04/1998)                 | 0.169                                | 0.076  | 38.756 | 0.000 |





|                    |        |        |        |       |
|--------------------|--------|--------|--------|-------|
| Nigeria (NSE)      |        |        |        |       |
| 1 (01/2010)        | 0.130  | 0.130  | 1.6851 | 0.194 |
| 2 (02/2010)        | 0.058  | 0.041  | 2.0173 | 0.365 |
| 3 (03/2010)        | 0.119  | 0.108  | 3.4481 | 0.328 |
| 4 (04/2010)        | -0.073 | -0.106 | 3.9874 | 0.408 |
| South Africa (JSE) |        |        |        |       |
| 1 (01/1998)        | -0.079 | -0.079 | 1.5187 | 0.218 |
| 2 (02/1998)        | -0.002 | -0.008 | 1.5198 | 0.468 |
| 3 (03/1998)        | 0.147  | 0.147  | 6.8183 | 0.078 |
| 4 (04/1998)        | -0.043 | -0.020 | 7.2698 | 0.122 |
| Uganda (USE)       |        |        |        |       |
| 1 (09/2004)        | -0.030 | -0.030 | 0.1497 | 0.699 |
| 2 (10/2004)        | 0.022  | 0.021  | 0.2316 | 0.891 |
| 3 (11/2004)        | 0.039  | 0.041  | 0.4845 | 0.922 |
| 4 (12/2004)        | 0.142  | 0.144  | 3.8214 | 0.431 |

It is important to clarify that apart from Nigeria the study was based on monthly data from at least the year 1998; the Nigerian market data dates from the year 2010. It should be reminded that tests were performed with data in local currencies of the markets. Magnus, Magnusson and Wydick (2002) in their paper: "How Efficient are Africa's Emerging Stock Markets?" carried out tests both on data with local currencies and data in real values (US dollar) and they have observed no change in the results of the tests. Inflation, drastic exchange rate changes and other macro-economic factors after the collection of data can affect tests results. It is also worthy of note that only the first four (4) observations (that correspond to the first four periods) for each stock is being represented in the table; decisions are based on full observations. These latter will be provided at the end of the study.

The test was further carried out with the markets having successfully passed the test of RW3 to evaluate if they are efficient in RW2. This is displayed in table 4.0, which is below.

**Table 4.0: Autocorrelation Observation of Stocks Prices Squared (RW2 Test)**

**Source:** Author's Computation

| Market (and observation) | Partial Autocorrelation Test for RW2 |        |        |       |
|--------------------------|--------------------------------------|--------|--------|-------|
|                          | AC                                   | AC     | AC     | AC    |
| Cote d'Ivoire (BRVM)     |                                      |        |        |       |
| 1 (03/2006)              | 0.094                                | 0.094  | 1.2724 | 0.259 |
| 2 (04/2006)              | 0.018                                | 0.009  | 1.3196 | 0.517 |
| 3 (05/2006)              | 0.080                                | 0.078  | 2.2600 | 0.520 |
| 4 (06/2006)              | 0.108                                | 0.094  | 3.9730 | 0.410 |
| Nigeria (NSE)            |                                      |        |        |       |
| 1 (01/2010)              | -0.081                               | -0.081 | 0.6450 | 0.422 |
| 2 (02/2010)              | -0.104                               | -0.111 | 1.7277 | 0.422 |
| 3 (03/2010)              | -0.026                               | -0.045 | 1.7938 | 0.616 |
| 4 (04/2010)              | 0.040                                | 0.022  | 1.9541 | 0.744 |
| South Africa (JSE)       |                                      |        |        |       |
| 1 (01/1998)              | 0.031                                | 0.031  | 0.2266 | 0.634 |
| 2 (02/1998)              | 0.214                                | 0.213  | 11.385 | 0.003 |
| 3 (03/1998)              | 0.059                                | 0.050  | 12.243 | 0.007 |
| 4 (04/1998)              | 0.038                                | -0.010 | 12.596 | 0.013 |



|              |        |        |        |       |
|--------------|--------|--------|--------|-------|
| 21 (09/1999) | -0.022 | -0.017 | 30.708 | 0.079 |
| 22 (10/1999) | 0.005  | 0.022  | 30.715 | 0.102 |
| 23 (10/1999) | 0.002  | -0.009 | 30.716 | 0.130 |
| Uganda (USE) |        |        |        |       |
| 1 (09/2004)  | 0.143  | 0.143  | 3.3263 | 0.068 |
| 2 (10/2004)  | 0.067  | 0.047  | 4.0600 | 0.131 |
| 3 (11/2004)  | 0.043  | 0.028  | 4.3717 | 0.224 |
| 4 (12/2004)  | 0.181  | 0.172  | 9.8061 | 0.044 |

In order to determine if the successful markets in RW3 meet the criteria for random of RW2, the squared price changes of these markets are being observed. Once again, PACF is displayed in the table above. Not quite surprisingly all the markets successfully pass the random test of RW2. It should be highlighted that the market in South Africa (JSE) shows some insignificance in the first four (4) lags. Due to the remarkable significance of the market responding to RW2 criteria from the 21<sup>st</sup> lag, it has been judged necessary to include it in the table. Hence, South Africa market (JSE) is also efficient in random walk of RW2 at a significance level of 95%.

The Variance Ratio Test with Random Walk Innovation approves the above. The variance ratio test view allows you to perform the Lo and MacKinlay variance ratio test to determine whether differences in a series are uncorrelated, or follow a random walk or martingale property. In other words, the variance ratio test assesses the null hypothesis that a univariate time series  $y$  is a random walk. The result for all the markets shows that the null hypothesis of uncorrelated prices data series cannot be rejected. The result of this test for South African market (JSE) is shown below. The remaining result of Variance Ratio Test is provided at the end of the paper.

**Table 5.0:** Variance Ratio Test Result

With a p-value of 0.0621 ( $>0.05$ ), there is not enough significance to reject the null hypothesis.

Variance Ratio Test on Cumulated SQD

|  |            |            |             |             |
|--|------------|------------|-------------|-------------|
| Null Hypothesis: Cumulated SQD is a martingale<br>Date: 04/18/18 Time: 20:15<br>Sample: 1998M01 2018M01<br>Included observations: 240 (after adjustments)<br>Heteroskedasticity robust standard error estimates<br>User-specified lags: 2 4 8 16 |            |            |             |             |
| Joint Tests  |            | Value      | df          | Probability |
| Max  z  (at period 4)*   |            | 2.411401   | 240         | 0.0621      |
| Individual Tests   |            |            |             |             |
| Period   | Var. Ratio | Std. Error | z-Statistic | Probability |
| 2  | 1.038850   | 0.023943   | 1.622568    | 0.1047      |
| 4  | 1.319160   | 0.132354   | 2.411401    | 0.0159      |
| 8  | 1.500035   | 0.210505   | 2.375414    | 0.0175      |
| 16   | 1.466452   | 0.282201   | 1.652905    | 0.0984      |
| *Probability approximation using studentized maximum modulus with parameter value 4 and infinite degrees of freedom  |            |            |             |             |
| Test Details (Mean = 0.000643501735096)  |            |            |             |             |
| Period   | Variance   | Var. Ratio | Obs.        |             |
| 1  | 2.6E-06    | —          | 240         |             |
| 2  | 2.7E-06    | 1.03885    | 239         |             |
| 4  | 3.4E-06    | 1.31916    | 237         |             |
| 8  | 3.8E-06    | 1.50004    | 233         |             |
| 16   | 3.8E-06    | 1.46645    | 225         |             |



For these markets, future volatility cannot be forecasted based on past volatility.

The same markets are once again analyzed for the random walk RW1. This is the ultimate test for weak-form market efficiency. Surprisingly, only the markets in South and Uganda meet the criteria for RW1. The markets in Cote d'Ivoire (BRVM) and Nigeria (NSE) do not meet the criteria for random walk of RW1. This displayed in table 6.0.

**Table 6.0: Breusch-Pagan-Godfrey Test**

**Source:** Author's Computation

| Market (and observation) | Breusch-Pagan-Godfrey Test |          |          |
|--------------------------|----------------------------|----------|----------|
|                          | R-sqd                      | F-stat   | Prob.    |
| Cote d'Ivoire (BRVM)     | 0.020875                   | 2.984828 | 0.086253 |
| South Africa (JSE)       | 0.050085                   | 12.54871 | 0.000477 |
| Nigeria (NSE)            | 0.000282                   | 0.026544 | 0.870929 |
| Uganda (USE)             | 0.056785                   | 9.512196 | 0.002410 |

With 95% confidence level, the results from the analysis on the markets in South Africa (JSE) and Uganda (USE) show enough significance to reject the null hypothesis; this latter suggests that there is no difference between the error terms variances, hence the existence of heteroscedasticity. However, those (markets) in Cote d'Ivoire (BRVM) and in Nigeria (NSE) have failed to reject the existence of heteroscedasticity; therefore, they do not meet the criteria of random walk of Rw1.

## CONCLUSION

Studies on market efficiency regarding developing economies' markets has been continual; their results benefit not only investors but also these countries' institutions and their economies in general. The results of market efficiency studies are important to institutions in their respective countries because they can be used to determine the level of economic growth and policy measures to attract investors. In addition, investors will be interested in such results to understand how their investment is performing and can decide to recapitalize in other investment decisions. They may also serve as yardstick to measure their level of economic growth and stepping stone to design and make future financial policies.

Along the years, studies have proved that African economies' markets do have an acceptable weak efficiency form, especially when they are compared to markets in other least developed countries (LDCs) in other continents. Magnus A. Magnusson and Bruce Wydick (2002) concluded their study with no African market meeting the criteria for RW1; they have stressed out that that was quite a remarkable performance looking the US market, which conformed to an RW1 at 90% level of confidence.

Moreover, the African continent has witnessed significance economic changes since 2002. Many countries attract more foreign direct investment and others have emerging level development plans towards which they are striving to achieve. This may be the reasons behind the results in this study. Amongst the seven markets chosen, two have successfully passed all the tests for random walk.

The result may be a surprise for Uganda Stock Exchange (UGE) but not for Johannesburg Stock Exchange (JSE) because South Africa is already considered as the earliest country to become an emerging economy in Africa. In previous tests, the markets had passed RW3 and Rw2.

As a surprise, comes Mauritius Stock Exchange (SEMDEX). This market fails to pass the test under RW3; however, it appears to be one of the eldest financial market in the continent. The Mauritius Stock Exchange (SEM) was established as a private limited company in 1989, only two years from South Africa. After the





abolition of foreign exchange controls in 1994, the stock market was opened to foreign investors (Simons and Laryea, 2005). In this study, it has the widest range of data. Nevertheless, it is worthy to remember that the analyses were performed under markets local currencies. Not always but this may have an effect on studies, especially when important economic changes occur before or after the collection of data. In addition, Nairobi Stock Exchange (NSE20), which also possesses quite a remarkable amount of data, has also showed unexpected and disappointing results.

In aggregate, the African financial markets have improved in the last years. With inflation, rapid changes in exchange rates, and other macroeconomic factors after data collection may affect the test results, the results of this study are encouraging; even though US dollar was not taken in consideration, the results might not exponentially change. Magnus, Magnusson and Wydick (2002) tested data using local currency and US Dollar data, and the results did not change. Consequently, observations range from 96 to 240. It may be therefore asserted that markets in the African continent perform well in weak efficiency form.

## APPENDIX

### Bourse Regionale des Valeurs Mobiles (BRVM)

### Kenya (KSE)

Correlogram of SGO

Date: 04/17/18 Time: 11:14  
Sample: 1 143  
Included observations: 142

| Autocorrelation | Partial Correlation | AC     | PAC    | Q-Stat | Prob |
|-----------------|---------------------|--------|--------|--------|------|
| 1               | 0.094               | 0.094  | 1.2724 | 0.259  |      |
| 2               | 0.018               | 0.009  | 1.3196 | 0.517  |      |
| 3               | 0.080               | 0.078  | 2.2600 | 0.520  |      |
| 4               | 0.106               | 0.094  | 3.9730 | 0.410  |      |
| 5               | -0.012              | -0.032 | 3.9930 | 0.550  |      |
| 6               | 0.063               | 0.061  | 4.5859 | 0.598  |      |
| 7               | 0.031               | 0.006  | 4.7315 | 0.893  |      |
| 8               | 0.190               | 0.184  | 10.238 | 0.249  |      |
| 9               | 0.018               | -0.020 | 10.287 | 0.328  |      |
| 10              | 0.043               | 0.031  | 10.573 | 0.392  |      |
| 11              | -0.069              | -0.108 | 11.310 | 0.418  |      |
| 12              | -0.028              | -0.052 | 11.434 | 0.492  |      |
| 13              | -0.060              | -0.054 | 12.010 | 0.527  |      |
| 14              | -0.047              | -0.057 | 12.357 | 0.578  |      |
| 15              | 0.071               | 0.107  | 13.168 | 0.589  |      |
| 16              | -0.012              | -0.062 | 13.190 | 0.659  |      |
| 17              | 0.006               | 0.048  | 13.196 | 0.723  |      |
| 18              | -0.066              | -0.099 | 13.917 | 0.735  |      |
| 19              | 0.034               | 0.088  | 14.107 | 0.777  |      |
| 20              | 0.004               | 0.017  | 14.110 | 0.825  |      |
| 21              | 0.030               | 0.065  | 14.258 | 0.858  |      |
| 22              | 0.030               | -0.014 | 14.407 | 0.886  |      |
| 23              | 0.070               | 0.021  | 15.239 | 0.886  |      |
| 24              | 0.161               | 0.185  | 19.751 | 0.711  |      |
| 25              | 0.094               | 0.017  | 21.304 | 0.676  |      |
| 26              | -0.034              | 0.012  | 21.509 | 0.715  |      |
| 27              | -0.047              | -0.147 | 21.501 | 0.742  |      |
| 28              | -0.012              | -0.013 | 21.926 | 0.785  |      |
| 29              | 0.122               | 0.095  | 24.598 | 0.699  |      |
| 30              | -0.043              | -0.069 | 24.929 | 0.728  |      |
| 31              | 0.003               | 0.013  | 24.930 | 0.771  |      |
| 32              | 0.155               | 0.069  | 29.403 | 0.599  |      |
| 33              | -0.058              | -0.093 | 30.025 | 0.616  |      |
| 34              | -0.089              | -0.084 | 31.521 | 0.590  |      |
| 35              | -0.025              | 0.020  | 31.641 | 0.631  |      |
| 36              | -0.031              | -0.012 | 31.821 | 0.668  |      |

Correlogram of CHANGE2

Date: 04/18/18 Time: 18:39  
Sample: 1998M01 2018M01  
Included observations: 240

| Autocorrelation | Partial Correlation | AC     | PAC    | Q-Stat | Prob |
|-----------------|---------------------|--------|--------|--------|------|
| 1               | 0.256               | 0.256  | 15.977 | 0.000  |      |
| 2               | 0.126               | 0.055  | 19.577 | 0.000  |      |
| 3               | 0.220               | 0.186  | 31.766 | 0.000  |      |
| 4               | 0.169               | 0.076  | 38.756 | 0.000  |      |
| 5               | 0.001               | -0.089 | 38.756 | 0.000  |      |
| 6               | -0.004              | -0.042 | 38.761 | 0.000  |      |
| 7               | -0.031              | -0.068 | 38.997 | 0.000  |      |
| 8               | -0.098              | -0.081 | 41.381 | 0.000  |      |
| 9               | -0.082              | -0.019 | 43.051 | 0.000  |      |
| 10              | -0.028              | 0.030  | 43.256 | 0.000  |      |
| 11              | -0.055              | -0.005 | 44.030 | 0.000  |      |
| 12              | -0.021              | 0.036  | 44.140 | 0.000  |      |
| 13              | -0.065              | -0.068 | 45.217 | 0.000  |      |
| 14              | -0.037              | -0.015 | 45.577 | 0.000  |      |
| 15              | 0.033               | 0.049  | 45.858 | 0.000  |      |
| 16              | 0.003               | -0.009 | 45.860 | 0.000  |      |
| 17              | 0.030               | 0.049  | 46.093 | 0.000  |      |
| 18              | 0.014               | -0.019 | 46.143 | 0.000  |      |
| 19              | 0.015               | -0.008 | 46.200 | 0.000  |      |
| 20              | -0.023              | -0.046 | 46.335 | 0.001  |      |
| 21              | -0.002              | -0.010 | 46.337 | 0.001  |      |
| 22              | -0.045              | -0.053 | 46.881 | 0.002  |      |
| 23              | -0.084              | -0.050 | 48.777 | 0.001  |      |
| 24              | -0.156              | -0.126 | 55.449 | 0.000  |      |
| 25              | -0.119              | -0.041 | 59.283 | 0.000  |      |
| 26              | -0.022              | 0.076  | 59.412 | 0.000  |      |
| 27              | -0.113              | -0.067 | 62.872 | 0.000  |      |
| 28              | -0.071              | 0.029  | 64.253 | 0.000  |      |
| 29              | 0.002               | 0.018  | 64.255 | 0.000  |      |
| 30              | 0.029               | 0.034  | 64.488 | 0.000  |      |
| 31              | 0.067               | 0.071  | 65.730 | 0.000  |      |
| 32              | 0.084               | 0.019  | 67.710 | 0.000  |      |
| 33              | 0.100               | 0.031  | 70.511 | 0.000  |      |
| 34              | 0.096               | 0.031  | 73.135 | 0.000  |      |
| 35              | 0.083               | -0.000 | 75.070 | 0.000  |      |
| 36              | 0.112               | 0.045  | 78.671 | 0.000  |      |

Correlogram of CHANGE2

Date: 04/17/18 Time: 11:26  
Sample: 1998M01 2018M01  
Included observations: 240

| Autocorrelation | Partial Correlation | AC     | PAC    | Q-Stat | Prob |
|-----------------|---------------------|--------|--------|--------|------|
| 1               | 0.161               | 0.161  | 6.2709 | 0.012  |      |
| 2               | 0.110               | 0.086  | 9.2011 | 0.010  |      |
| 3               | 0.156               | 0.131  | 15.177 | 0.002  |      |
| 4               | 0.173               | 0.130  | 22.563 | 0.000  |      |
| 5               | 0.078               | 0.016  | 24.077 | 0.000  |      |
| 6               | 0.084               | 0.034  | 25.847 | 0.000  |      |
| 7               | 0.047               | -0.013 | 26.401 | 0.000  |      |
| 8               | -0.011              | -0.060 | 26.431 | 0.001  |      |
| 9               | 0.080               | 0.065  | 28.056 | 0.001  |      |
| 10              | 0.007               | -0.028 | 28.069 | 0.002  |      |
| 11              | -0.027              | -0.036 | 28.260 | 0.003  |      |
| 12              | 0.042               | 0.046  | 28.700 | 0.004  |      |
| 13              | 0.032               | 0.012  | 29.655 | 0.007  |      |
| 14              | -0.151              | -0.163 | 34.789 | 0.002  |      |
| 15              | -0.004              | 0.030  | 34.792 | 0.003  |      |
| 16              | -0.036              | -0.039 | 35.122 | 0.004  |      |
| 17              | -0.077              | -0.041 | 36.670 | 0.004  |      |
| 18              | -0.015              | 0.042  | 38.720 | 0.006  |      |
| 19              | 0.019               | 0.039  | 38.820 | 0.008  |      |
| 20              | -0.132              | -0.110 | 41.387 | 0.003  |      |
| 21              | 0.030               | 0.084  | 41.620 | 0.005  |      |
| 22              | -0.069              | -0.100 | 42.895 | 0.005  |      |
| 23              | 0.021               | 0.060  | 43.000 | 0.007  |      |
| 24              | -0.051              | -0.047 | 43.692 | 0.008  |      |
| 25              | 0.092               | 0.109  | 45.959 | 0.006  |      |
| 26              | -0.047              | -0.046 | 46.571 | 0.008  |      |
| 27              | -0.043              | -0.030 | 47.080 | 0.010  |      |
| 28              | 0.008               | -0.037 | 47.100 | 0.013  |      |
| 29              | -0.034              | -0.004 | 47.421 | 0.017  |      |
| 30              | 0.080               | 0.085  | 49.210 | 0.015  |      |
| 31              | 0.051               | 0.039  | 49.932 | 0.017  |      |
| 32              | -0.040              | -0.060 | 50.383 | 0.000  |      |
| 33              | 0.008               | 0.044  | 50.400 | 0.027  |      |
| 34              | 0.103               | 0.019  | 53.404 | 0.018  |      |
| 35              | 0.018               | 0.023  | 53.492 | 0.024  |      |
| 36              | 0.051               | 0.019  | 54.235 | 0.026  |      |

Correlogram of CHANGE2

Date: 04/17/18 Time: 11:32  
Sample: 2004M08 2018M01  
Included observations: 161

| Autocorrelation | Partial Correlation | AC     | PAC    | Q-Stat | Prob |
|-----------------|---------------------|--------|--------|--------|------|
| 1               | 0.300               | 0.300  | 14.722 | 0.000  |      |
| 2               | 0.184               | 0.104  | 20.337 | 0.000  |      |
| 3               | 0.301               | 0.244  | 35.340 | 0.000  |      |
| 4               | 0.190               | 0.043  | 41.347 | 0.000  |      |
| 5               | 0.219               | 0.128  | 49.443 | 0.000  |      |
| 6               | -0.021              | -0.219 | 49.521 | 0.000  |      |
| 7               | 0.117               | 0.121  | 51.865 | 0.000  |      |
| 8               | 0.108               | -0.034 | 53.855 | 0.000  |      |
| 9               | 0.011               | 0.024  | 53.874 | 0.000  |      |
| 10              | -0.008              | -0.096 | 53.887 | 0.000  |      |
| 11              | -0.032              | 0.009  | 54.065 | 0.000  |      |
| 12              | 0.037               | -0.010 | 54.310 | 0.000  |      |
| 13              | -0.048              | -0.019 | 54.718 | 0.000  |      |
| 14              | -0.065              | -0.033 | 55.472 | 0.000  |      |
| 15              | -0.017              | 0.015  | 55.523 | 0.000  |      |
| 16              | 0.019               | 0.051  | 55.589 | 0.000  |      |
| 17              | -0.037              | -0.045 | 55.841 | 0.000  |      |
| 18              | -0.145              | -0.115 | 59.686 | 0.000  |      |
| 19              | -0.112              | -0.084 | 61.990 | 0.000  |      |
| 20              | -0.020              | 0.059  | 62.068 | 0.000  |      |
| 21              | -0.005              | 0.073  | 62.072 | 0.000  |      |
| 22              | -0.078              | -0.008 | 63.207 | 0.000  |      |
| 23              | -0.083              | -0.055 | 64.521 | 0.000  |      |
| 24              | 0.073               | 0.108  | 65.532 | 0.000  |      |
| 25              | 0.003               | -0.035 | 65.534 | 0.000  |      |
| 26              | -0.154              | -0.136 | 70.133 | 0.000  |      |
| 27              | -0.084              | -0.048 | 71.505 | 0.000  |      |
| 28              | -0.068              | -0.053 | 72.420 | 0.000  |      |
| 29              | 0.018               | 0.110  | 72.483 | 0.000  |      |
| 30              | 0.061               | 0.168  | 73.223 | 0.000  |      |
| 31              | -0.021              | -0.016 | 73.315 | 0.000  |      |
| 32              | 0.027               | -0.066 | 73.466 | 0.000  |      |
| 33              | 0.004               | -0.046 | 73.469 | 0.000  |      |
| 34              | -0.017              | -0.011 | 73.531 | 0.000  |      |
| 35              | 0.056               | 0.098  | 74.183 | 0.000  |      |
| 36              | -0.014              | -0.069 | 74.225 | 0.000  |      |

Mauritius (SEMDEX)Zambia (LSE)



## Nigeria (LSE)

Correlogram of CHANGE2

| Date: 04/18/18 Time: 18:57<br>Sample: 2010M01 2018M01<br>Included observations: 96 |                     |        |        |        |      |
|--|---------------------|--------|--------|--------|------|
| Autocorrelation  | Partial Correlation | AC     | PAC    | Q-Stat | Prob |
| 1  | 0.130               | 0.130  | 1.6851 | 0.194  |      |
| 2  | 0.058               | 0.041  | 2.0173 | 0.365  |      |
| 3  | 0.119               | 0.108  | 3.4481 | 0.328  |      |
| 4  | -0.073              | -0.106 | 3.9874 | 0.408  |      |
| 5  | -0.044              | -0.033 | 4.1894 | 0.522  |      |
| 6  | 0.170               | 0.181  | 7.2069 | 0.302  |      |
| 7  | 0.016               | -0.005 | 7.2340 | 0.405  |      |
| 8  | -0.017              | -0.038 | 7.2655 | 0.508  |      |
| 9  | 0.100               | 0.064  | 8.3511 | 0.499  |      |
| 10   | 0.043               | 0.058  | 8.5548 | 0.575  |      |
| 11   | -0.108              | -0.116 | 9.8367 | 0.545  |      |
| 12   | 0.236               | 0.230  | 16.101 | 0.187  |      |
| 13   | 0.001               | -0.058 | 16.101 | 0.244  |      |
| 14   | -0.026              | -0.001 | 16.181 | 0.302  |      |
| 15   | 0.098               | 0.027  | 17.305 | 0.301  |      |
| 16   | -0.118              | -0.133 | 18.941 | 0.272  |      |
| 17   | -0.123              | -0.040 | 20.735 | 0.238  |      |
| 18   | -0.186              | -0.277 | 24.922 | 0.127  |      |
| 19   | -0.097              | 0.010  | 26.062 | 0.128  |      |
| 20   | -0.101              | -0.056 | 27.327 | 0.126  |      |
| 21   | 0.002               | -0.000 | 27.327 | 0.160  |      |
| 22   | -0.081              | -0.135 | 28.158 | 0.170  |      |
| 23   | -0.103              | -0.002 | 29.539 | 0.163  |      |
| 24   | -0.049              | -0.055 | 29.854 | 0.190  |      |
| 25   | 0.015               | 0.090  | 29.882 | 0.229  |      |
| 26   | -0.055              | -0.009 | 30.288 | 0.256  |      |
| 27   | -0.036              | -0.090 | 30.463 | 0.294  |      |
| 28   | -0.066              | 0.060  | 31.098 | 0.314  |      |
| 29   | -0.064              | -0.067 | 31.640 | 0.336  |      |
| 30   | -0.206              | -0.090 | 37.675 | 0.158  |      |
| 31   | 0.002               | 0.059  | 37.676 | 0.190  |      |
| 32   | -0.090              | -0.064 | 38.868 | 0.188  |      |
| 33   | -0.106              | -0.074 | 40.561 | 0.171  |      |
| 34   | -0.048              | -0.079 | 40.913 | 0.193  |      |
| 35   | -0.017              | -0.006 | 40.957 | 0.225  |      |
| 36   | -0.020              | 0.003  | 41.019 | 0.260  |      |

## Uganda (USE)

Correlogram of CHANGE2

| Date: 04/18/18 Time: 20:26<br>Sample: 2004M09 2018M01<br>Included observations: 160 |                     |        |        |        |      |
|---|---------------------|--------|--------|--------|------|
| Autocorrelation   | Partial Correlation | AC     | PAC    | Q-Stat | Prob |
| 1   | -0.030              | -0.030 | 0.1497 | 0.699  |      |
| 2   | 0.022               | 0.021  | 0.2316 | 0.891  |      |
| 3   | 0.039               | 0.041  | 0.4845 | 0.922  |      |
| 4   | 0.142               | 0.144  | 3.8214 | 0.431  |      |
| 5   | -0.089              | -0.083 | 5.1467 | 0.398  |      |
| 6   | -0.043              | -0.058 | 5.4638 | 0.486  |      |
| 7   | 0.038               | 0.028  | 5.7121 | 0.574  |      |
| 8   | 0.031               | 0.024  | 5.8764 | 0.661  |      |
| 9   | 0.021               | 0.052  | 5.9556 | 0.744  |      |
| 10  | -0.060              | -0.058 | 6.5831 | 0.764  |      |
| 11  | -0.116              | -0.148 | 8.9190 | 0.629  |      |
| 12  | 0.085               | 0.078  | 10.184 | 0.600  |      |
| 13  | 0.016               | 0.038  | 10.232 | 0.675  |      |
| 14  | -0.071              | -0.042 | 11.134 | 0.675  |      |
| 15  | -0.040              | -0.030 | 11.425 | 0.722  |      |
| 16  | 0.015               | -0.046 | 11.465 | 0.780  |      |
| 17  | -0.108              | -0.105 | 13.485 | 0.703  |      |
| 18  | -0.135              | -0.099 | 16.814 | 0.536  |      |
| 19  | 0.003               | 0.011  | 16.815 | 0.602  |      |
| 20  | 0.007               | 0.018  | 16.825 | 0.664  |      |
| 21  | -0.100              | -0.094 | 18.678 | 0.606  |      |
| 22  | 0.079               | 0.085  | 19.852 | 0.592  |      |
| 23  | -0.000              | 0.008  | 19.852 | 0.651  |      |
| 24  | -0.002              | -0.011 | 19.852 | 0.705  |      |
| 25  | -0.066              | -0.056 | 20.694 | 0.710  |      |
| 26  | 0.003               | -0.033 | 20.696 | 0.757  |      |
| 27  | 0.011               | 0.023  | 20.718 | 0.799  |      |
| 28  | -0.009              | -0.025 | 20.736 | 0.836  |      |
| 29  | 0.059               | 0.060  | 21.421 | 0.843  |      |
| 30  | -0.013              | 0.009  | 21.455 | 0.873  |      |
| 31  | 0.038               | -0.001 | 21.746 | 0.891  |      |
| 32  | 0.046               | 0.027  | 22.182 | 0.902  |      |
| 33  | -0.010              | 0.005  | 22.261 | 0.923  |      |
| 34  | 0.042               | 0.034  | 22.558 | 0.933  |      |
| 35  | 0.096               | 0.058  | 24.468 | 0.908  |      |
| 36  | 0.148               | 0.126  | 29.049 | 0.788  |      |

## South Africa (JSE)

Correlogram of CHANGE2

| Date: 04/18/18 Time: 20:12<br>Sample: 1998M01 2018M01<br>Included observations: 240 |                     |        |        |        |      |
|---|---------------------|--------|--------|--------|------|
| Autocorrelation   | Partial Correlation | AC     | PAC    | Q-Stat | Prob |
| 1   | -0.079              | -0.079 | 1.5187 | 0.218  |      |
| 2   | -0.002              | -0.008 | 1.5198 | 0.468  |      |
| 3   | 0.147               | 0.147  | 6.8183 | 0.078  |      |
| 4   | -0.043              | -0.020 | 7.2698 | 0.122  |      |
| 5   | -0.126              | -0.135 | 11.198 | 0.048  |      |
| 6   | 0.080               | 0.041  | 12.794 | 0.046  |      |
| 7   | -0.038              | -0.017 | 13.158 | 0.068  |      |
| 8   | -0.065              | -0.037 | 14.211 | 0.076  |      |
| 9   | 0.069               | 0.038  | 15.416 | 0.080  |      |
| 10  | -0.099              | -0.099 | 17.896 | 0.057  |      |
| 11  | 0.006               | 0.021  | 17.914 | 0.084  |      |
| 12  | -0.018              | -0.042 | 17.999 | 0.116  |      |
| 13  | -0.020              | -0.006 | 18.103 | 0.154  |      |
| 14  | 0.033               | 0.043  | 18.389 | 0.190  |      |
| 15  | -0.046              | -0.069 | 18.928 | 0.217  |      |
| 16  | 0.030               | 0.040  | 19.162 | 0.260  |      |
| 17  | -0.016              | -0.032 | 19.228 | 0.316  |      |
| 18  | 0.009               | 0.011  | 19.248 | 0.377  |      |
| 19  | 0.029               | 0.043  | 19.489 | 0.427  |      |
| 20  | 0.008               | -0.016 | 19.486 | 0.490  |      |
| 21  | 0.027               | 0.049  | 19.680 | 0.542  |      |
| 22  | -0.019              | -0.041 | 19.777 | 0.597  |      |
| 23  | -0.044              | -0.055 | 20.305 | 0.623  |      |
| 24  | -0.052              | -0.044 | 21.032 | 0.637  |      |
| 25  | 0.019               | -0.001 | 21.129 | 0.685  |      |
| 26  | -0.052              | -0.012 | 21.871 | 0.696  |      |
| 27  | 0.010               | -0.003 | 21.898 | 0.743  |      |
| 28  | -0.045              | -0.065 | 22.460 | 0.760  |      |
| 29  | -0.007              | 0.002  | 22.473 | 0.800  |      |
| 30  | -0.070              | -0.088 | 23.821 | 0.780  |      |
| 31  | 0.014               | 0.022  | 23.875 | 0.816  |      |
| 32  | -0.030              | -0.036 | 24.131 | 0.840  |      |
| 33  | 0.026               | 0.025  | 24.325 | 0.863  |      |
| 34  | 0.025               | 0.019  | 24.501 | 0.885  |      |
| 35  | 0.010               | -0.007 | 24.530 | 0.907  |      |
| 36  | -0.058              | -0.068 | 25.501 | 0.904  |      |

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# THE EXPENSIVE COMMODITY OF EDUCATION IN AFRICA VERSUS CUSTOMER EXPERIENCE

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## ABSTRACT

Moving into the time of the customer, the landscape of education has changed globally, including its model of leading business. The observation through the crystal of market-exchange in Africa shows students as customers and universities as service providers. For the reason that a business cannot exist without its customers, and higher education institutions are concentrating on the best way to win new business through multiple channels, customer experience arises to create value. It is within this context that this paper looks at higher education as an expensive commodity in Africa versus Customer eXperience. It also raises issues for talk and begins to express an assessment inspiration that may add to the idea of customer experience by service providers of Africa, here higher education.

**Keywords:** *Commodity, higher education, customer experience.*

## INTRODUCTION

Since Universities and colleges are constrained into turning out to be productive lucrative endeavours, they face an epic money related requirement. While Education is free in Germany and Norway alike, in Africa as well as in some countries like Brazil, China and Italy, education has become a product that people must buy themselves. The relationship among students, universities, lecturers and sponsors are the consequences of an incentive for money. Schools and Universities accept that the education that they offer is now a "product" and they treat the students they enrol as customers or "shoppers". The world of work is fast evolving and with it are the requirements of universities of the 21<sup>st</sup> century. Customer eXperience in return, plays a crucial role in servicing and retaining the clientele deriving from the range of changes in higher education in Africa.

## Problem/Issue Statement

The majority of qualities related with education on the African continent have gotten subordinate to a solitary mature expression of significant worth: "Cost". Social versatility is down the channel. We all know that this phenomenon results from the regularly expanding education costs and the expulsion of state subsidising in Higher education in several African countries if not all. The student and lecturer relationship takes place through the vehicle of the market, with the purchasing and selling of commodities taking the presence of education.

The social and cultural mission of higher education has been obscured by the interest for it to contribute in a more straightforward manner to every nation its aggressive edge in the worldwide economy. Universities have in this manner, become increasingly like organizations or businesses, and they try to build income by changing degrees into worldwide products. This has given competitive advantage to market rivalry and compelled universities to change themselves.

The aim of this paper is to discuss higher education as an expensive commodity in Africa versus Customer eXperience (CX). It outlines the weights prompting the change of Higher education into a costly product on the continent before making key recommendations of core university elements on customer experience. Beyond this aim, the paper raises issues for discussion and starts to express an examination motivation that may add to the thought of customer experience by specialist co-op of Africa, here Higher education.

## Significance and Justification

The observation through the crystal of market-exchange makes it evident that in higher education, students or graduates are the customers while Universities and colleges are specialist co-ops or service providers. The final product today is a source of many problems. Because of this cash-based relationship, numerous inquiries have found ground in this paper.



How often have we heard somebody saying he or she did not pay the mentioned fee for a talk or lecture to complete sooner than booked? Alternatively, for the workforce to not respond to their email on time or at all? Sometimes people claim that the incentive for money is not justified, despite any potential benefits. The analysis of these questions establishes the why of this topic. Hence, education as a whole has become a commodity and Universities are now businesses.

## **BRIEF LITERATURE REVIEW**

Words or ideas convey various implications to various individuals. Concerning this paper, the definitions or depictions referenced here comprise the ground of talk and contentions completed. The paper takes in account definitions as business terms or as scholastic approvals.

In addition, though numerous authors express hopefulness with respect to future possibilities for advancement of hypothesis and strategies, the writing normally takes note of the requirement for progressively modern procedures to address an assortment of deficiencies, and furthermore recognizes an assortment of significant methodological inquiries. Two key concepts, namely “Commodity” and “Customer eXperience” constitute the basis of this brief review in helping to understand the shapes of the topic in exploration.

### **What is a commodity?**

A commodity is any product or service delivered by individuals which both fulfils some human need, for example, it has use- value, and which is sold in exchange for cash or trade value. A sensibly exchangeable product or material purchased and sold unreservedly as an article of trade.

A product is a commodity when all units of production are indistinguishable, paying little heed to who produces them. In any case, to be a separated product, an organization's product is not quite the same as those of its rivals.

In other terms underscored Amadeo (2020), commodity can be characterized as any good or service that is purchased and sold simply on cost. These incorporate the exchanged products. They can likewise incorporate products not excluded from others dependent on brand, benefits, or other distinctive highlights.

She provides a practical example of a world well-known brand in the likes of Coca-Cola. For her and the author concurs, Coca Cola is a marked product that gets extraordinary dedication, and a more significant expense, because of its apparent separation from other cola drinks. A minimal effort store brand is even more a commodity since it is not vastly different from other store marks and is purchased basically on account of its low cost, not its taste.

Finally, yet importantly is **Customer eXperience (CX)**. Customer experience includes each part that an organization is offering—the nature of customer care, obviously, yet in addition publicizing, bundling, product and administration highlights, convenience, and unwavering quality. With this definition in hand, the main concern is customers consistently having an experience - great, terrible or uninterested - at whatever point they buy a product or service from an organization.

From the abovementioned, analysts or scholastics despite everything need to look for the response to this inquiry: **What is CX?**

There are wide ranges of definitions for CX, yet at its centre, everything boils down to how an individual feels about the experience of interacting with a brand. CX considers everything the customer contacts, tastes, smells, hears, sees all through the experience with the brand or an organization of any nature. What customers are going to feel or think? It is in effect practically over the top about the experience the customer has with the brand — the frame of mind of 'I need to be here,' as opposed to 'I must be here. Customer experience implies caring.

Along the lines of contacts of CX, direct contact for the most part happens during buy, use, and services and it often begins with the customer . Circuitous contact frequently includes impromptu experiences with portrayals of an organization is products, services, or brands and appears as verbal proposals or reactions, publicising, news reports, surveys, etc..

In 2018, Mr. Seke went to UNC (University of North Carolina) as an international exchange student from WBS (University of the Witwatersrand – Business School) in South Africa. The Associate Director from



UNC Accountable for Global Program, air posted an enrolled SIM Card for correspondence to him, at no charge. UNC continued updating him for his schedule from South Africa to Chapel Hill (North Carolina, USA) with climate conditions; orchestrated somebody to get him from the air terminal at arrival to his place of stay, at no charge. The University organized a welcome supper at no expense to him with an American Family. Pick up and drop off back at his place of stay after the supper, at no charge. How can one think Mr. Seke feels about UNC and its administration now?

That does not constantly mean free stuff, which not all organizations and not all plans of action support. Nevertheless, it means treating a customer like an individual, not a unit. A person, not a wallet with legs. Customer experience is the most energizing chance to organizations now and the explanation is straightforward; the organizations that emphasize on customer experience diminish agitate and increment incomes – prompting higher benefits!.

### **DETAILED TREATMENT OF TOPIC IN WRITING**

Given the significance appended to the point of change of Higher Education into a costly commodity versus CX, the development of a solid research base is pivotal for limit working in Africa.

#### **Is Higher Education Becoming a Commodity in Africa?**

The prompt response from this paper is a big – Yes! Reason being, a developing number of open and private non-benefit colleges have joined revenue driven aggregates in abusing new market openings in Africa. Enhancement of products and services through the series of framework are also among the components of expansive scope of changes that have affected higher education and moulded commodification in the continent.

Despite the fact that several authors, researchers and academics express different views on the issue, higher education has been purposely spoken to and portrayed by numerous legislatures as a commodity. For Hlatshwayo, Marawu, & Author (2016), the fact that recognition of higher education as a private decent, trading open enthusiasm for business contemplations and bared of social and open reasons for existing, is indefensible. Higher education, “is too important to society to allow its future to be determined by market forces”.

In fact, the outcome of the commodification of education is an intrinsically opposing connection between few stakeholders inclusive but not limited to academic staff and students only. Specialists in the field argue that these moves are the consequences by state and government subsidizing cuts suggesting that leaders of colleges are changing to maintaining their schools like a business with their leading group of trustees going about as professional boards.

In Africa today, when spurred by benefit, numerous universities are bound to offer projects in disciplines, which produce income to the detriment of orders that are costly or hard to educate. They conceal their eagerness behind the pertinence of the degrees granted versus the interest of the public on the loose. If Commodification is the way toward treating something like a commodity. In other terms, everything changes over either to products or merchandise, services, or articles of exchange. Giving a progressively conceptual idea to something like Higher education, the author agrees with advocates who accept that education has become a costly commodity in Africa. Private colleges and universities are price discriminators

The important question to ask is why schools and colleges have become a commercial centre that treats students' candidates like customers. Different experts might have different views, but the author coincides to the fact that the way higher education took to turning into the business it is today, is a wonder that has seriously distorted the experiences of candidates to most specific schools in various nations in Africa. Tragically underscored Williams (2016), in the past 25 years, higher education has moved from being an open assistance entity by governments to the largely purchased and sold private commodity globally inclusive of Africa.

#### **Why Customer eXperience and How It Connects With Higher Education?**

Since the relationship between the student and lecturer is done through the vehicle of the market, with the purchasing and selling of commodities under the umbrella of education; experience of interaction before, during and after degree or course completion is nowhere to be barred.



Customer experience is the inward and emotional reaction customers have to any immediate or circuitous contact with an organization, in this case higher education. Additionally, a trade esteem, empowering Higher education to take the state of a contending product and be gone into a serious market structure establishes the connection with Customer experience. To be sure, the Competition and Market Authority as of now regulate universities in some nations worldwide.

With reference to contacts of CX underlined in the literature review, both direct and indirect contacts are now visible in education through open day, information sessions, flyers, radio shows and other gatherings. The above set of events respond partially to the why of customer experience. The number of recruits and brand recognition complete the answer. Beyond this debate of recruitment events, numbers and brand recognition, how CX connects to higher education?

Today in higher education and elsewhere in the society, perceptions represent everything. Perception connects and convinces people. One of the characteristics of customer experience is perception. Through this view, alumni perceived their institution as a superior product offering over other institutions of higher education. A differentiated product should not be a superior product underscores Hofstrand (2019); it is however the responsibility of the purchaser to see it as a superior product. In reality, a significant part of the broadcasting and development that happens in our society of which there is price focused on attempting to persuade shoppers that their product is superior to those of contenders. Regardless of whether it is in reality better is insignificant.

A positive customer experience brings about fulfilment to a customer, yet it can likewise prompt extra income. The best advertising money can purchase is a customer who will advocate a business - because they will encourage their loved ones to that brand, for nothing out of pocket. Alumni play a crucial role here in advocating their educational institutions to peers or other people from their network.

Since schools and colleges are run like businesses; the main thing that differentiates public and private universities these days is in the event that they can persuade the customers that they are better than their counterparts are. Higher education connects to CX through perception and inducement. These connect through direct and indirect contacts. Subsequently, ranking and history of an institution set the ground for advocacy to alumni. For instance, there is an intense debate between alumni of two South African based institutions: is Wits Business School (WBS) better than the Gordon Institute of Business Science (GIBS)? Why and how? Alternatively, vice versa.

Customer experience is of basic significance to the continued development of a business. Because higher education is now a business, CX continues to build sustainability for many institutions equally. It is essential through connection with CX that higher education institutions guarantee a positive customer experience so customers construct brand reliability and proclivity, proselytize their product or support and allude their companions, and leave the institutions with positive customer surveys that will enable them to hold income and gain new customers.

### **CHANGE COMPONENTS – EXPENSIVE COMMODITY VERSUS CUSTOMER EXPERIENCE**

Before April 1993, higher education was not a product. Education was everything except a product. To date, more is required from all stakeholders. Since commodification of education has interfered with the basics of educational procedures and refined the conventional technique for education into sellable bundles of things; the higher education sector has become an expensive product and a sole business looking for customers to keep up supportability and development. To keep up sustainability and development for higher education, the customer (student) matters like never before. For business to survive today, customer centricity is key.

With what is occurring in the business landscape of the 21st century underscores Plante (2016), lecturers have become commodity makers and deliverers, and students have become customers of more commodities. With the price tag associated to this commodity, customers have power, not the vendors. Who gave them this power? Money and everyone of us - with assistance from the internet (Web). It is no longer a taboo in Africa for price increase activities from higher education institutions through their offerings justified by the economic developments and supported by their database of successful alumni.

The new power represented by the students (Customers) require a reward in exchange of the price tags joint to every product or service from the vendors, and that reward is “eXperience”. Customers have more choices



than any time in recent memory through institution is contenders; more prominent simplicity of exchanging power than any time in recent memory with a large number of memberships and premium choices. In addition, more capacity to influence any business than any other time in recent memory utilizing web-based social networking and online audits. Africa has embarked on an immense and dynamic higher education landscape, impacted by various drivers of change.

However, it is certainly a change for the best the author accepts. Customers are presently the best asset for growing a brand mindfulness in a positive manner - because their suggestions imparted to loved ones are more dependable than any marketing and publicizing channels. Accordingly, the question to ask every individual is – what happened the last time the individual in question had either an extraordinary or horrible customer experience? One presumably went to a companion or collaborator to disclose to them the story, or went to his or her social media channels to communicate their emotions to the world.

Ever since the shift of higher education into a commodity has taken place, the relationship of key resources in the current setup remains between the customer and specialist co-op. In this unique circumstance, universities remain the force places of scholarly and social capital, hence makers of focused markets. For that reason, it is behind this perception of universities as makers of competitive markets that CX arises to create value. Africa still wants the rationales, impact and the domino effect of education as a commodity and the relationship deriving from this expensive commodity with CX. Higher education has changed, it continues to change, and this incorporates the pattern of commodification in full.

## RECOMMENDATIONS

In spite of the changing interest of higher education in this time and age, its value is in what their customers find through this exploratory period in their life. Much of what they escape at school is the exertion they put into it. Since value has different features and achievement relies upon on how one measures it or see it, beneath are the proposals made by the author considering the topic in question.

Meanwhile, the main thrusts of commodification of advanced education are more than the limiting powers; change process is required to restore harmony. The treatment of the client must be with inspirations of experience prize and varsities should focus on the client experience methodology. Universities and colleges should drive campaigns for first year customer experience; seek to incentivise some advocates through referrals and other strategies.

For the reason that higher education institutions are running like a business, they ought to consider utilizing customer fulfilment studies all the time, or after significant period along the customers (students) venture. The application of this recommendation will give them a thought of their customers' experience through their product or service contributions.

They ought to recognize rate and purposes behind customer beat as any business does or will do. They should ensure they are doing an ordinary examination of their stirred customers with the end goal for them to distinguish if agitate rate is expanding or diminishing.

## CONCLUSION

Students or customers are not exclusively answerable for their prosperity. The school or university does make a difference. A great part of the discussion about higher education being or turning into a costly commodity versus CX concerned essentially colleges and universities as teaching institutions and the degree to which the advantages of adapting, directly and indirectly, go past the private advantages gained by their alumni.

Practically speaking, a great part of this discussion resides on the endorsement of customer experience practices by higher education institutions. The state of CX in business today in addition to the association with the costly commodity of education in Africa and the remainder of the globe is undeniable. However, if the certificates or degrees granted by higher education organizations resemble to the manner in which an individual leaves a retailer with a TV or the other way around, at that point one cannot separate CX from this costly commodity.



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## IS DONOR STATE 'SECURITISATION' A THREAT OR AN OPPORTUNITY FOR HUMANITARIANISM?

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### ABSTRACT

Since the end of the Cold War, a significant number of aid workers have been assaulted and killed, projecting humanitarian assistance as a precarious discourse. Given that humanitarian workers find themselves in dangerous environments and the threats they are exposed to, the need for security has become an exigent concern for most aid agencies and workers (Barnett, 2011 and VanBrabant, 2001). In view of this, security has now been implanted in the conceptualization, planning and delivery of aid. Though the Copenhagen School is associated with the theory of securitization which provides a framework for defining security as securitizing objects and referent objects (Watson, 2011), different schools have construed securitization in different spheres. Waever, (2014) identifies that it is by labelling something as a security issue that it becomes one (Waever, 2014:13) while Murphy (2007) underscores that securitization is a public process that encompasses social security. Nevertheless, other scholars like Taureck (2006) have maintained that security to be an adaptable concept that is redefined constantly with Vaughn (2009) and Watson (2011) identifying that securitization discourse is promoted with humanitarianism itself. Due to the threats and perilous situations humanitarians are exposed to, governments and humanitarian aid agencies have revised their aid strategies to encompass security concerns often citing the adage “there is no security without development and no development without security” (Duffield, 2007:1). This paper therefore argues that donor state securitization is a threat for humanitarianism.

### IS DONOR STATE 'SECURITISATION' A THREAT OR AN OPPORTUNITY FOR HUMANITARIANISM?

Declining humanitarian access is a germane way donor state securitization has caused a threat for humanitarianism. The idea of securitization is that if humans are not protected adequately during humanitarian emergencies they will be able to provide for security needs. In the process of securitization of aid, there are often politicization of the process in the allocation of aid to affected region. In line with this, the humanitarian principles of neutrality, independence and impartiality are often compromised due to different interests of international agencies and interests of national governments. The incorporation of security into aid has engendered denial of humanitarian workers and the ability of these workers to access populations at risk. For instance in 2006 to 2008, the Database for Aid Workers Security maintained that there were 82 withdrawal or suspension including relocation to 15 countries. Also recently, the crisis in Afghanistan, Somalia, Iraq and the DRC is an epitome of humanitarian denial to affected populations (Stoddard et al, 2009). Mostly, in the process of crafting securitization into aid, existential threats are not identified resulting in problems of affected populations unaddressed. The inability of securitized aid to tackle crisis affected regions raises questions about the professionalism and efficient capacity of international agencies. Securitization incidents tend out to be threats to potential beneficiaries of aid and it is in line with Vaughn (2009:271) who maintained that “security incidents have a direct negative impact in an organizations ability to assist the victims of humanitarian emergencies as they typically result in programme closures, suspensions or even withdrawal”. In addition to this, donor state securitization leads humanitarianism operations to operate in more risky environments. Securitized aid received by humanitarian organizations drives humanitarian organizations into perilous grounds sometimes with physical insecurity or denial of access by sovereign government causing ravages like death and threats. The operation of humanitarian organizations on risky areas sometimes leads them to act in political and military interest of state governments which compromises humanitarian principles. A starker case was during civil wars in Burman and Kashmir during which the sovereign government consent had to be sought before access to affected populations which impeded broad humanitarian access. Also, when the ICC indicted President Bashir, Mr. Baskir expelled aid workers from Sudan which is a case of declining humanitarian space. The lack of



humanitarian space in Sudan caused the giving up of aid mostly in areas to bolster the government leading to a loss of impartiality (Seybolt, 1996).

Moreover, donor state securitization of aid has caused a threat for humanitarians due to the upsurge in attacks on humanitarian workers. In recent times, there has been an increase of aid security to humanitarians, however the insecurity of humanitarians continue to rise. Due to the securitization of aid humanitarians have been attracted to work in more dangerous environments. This situation has often led to humanitarians losing their lives or access to affected populations. In the process of securitization aid, the appraisals of local contexts, local customs, languages and culture are not incorporated. In view of this humanitarians who find themselves on the ground take on endeavours ill prepared due to lack of sufficient knowledge and information thereby leading to several ravages on humanitarianisms. Attacks on aid workers has risen as a result of securitization of aid because of rejection from armed opposition groups. This has engendered extortion or diversion of aid to benefit opposition groups challenges humanitarian independence and neutrality. The work by Fiona Terry(2002:40) in Somalia in the 1990s underscored that armed opposition groups diverted food to an unprecedented levels between 20% to 80% of aid was stolen. Also, there were high insecurity of humanitarian workers shrinking humanitarian space in Iraq following the US-led invasion. Furthermore, the report from Overseas Development Institute identifies that “there were high state of violence that there-quarters of aid workers were attacked in six countries with 260 humanitarian aid workers killed, abducted in 2008 which is the highest in 12 years and over the past three years violence was seen in the context of Afghanistan, Somalia and Sudan”(Ray, 2009). When humanitarians are attacked, this undermines principles of humanity. This is because when humanitarians are bedevilled with disaster, aid agencies sometimes downscale or suspend their operations and in the process assistance to affected populations tend to be cut short. The affected populations during conflicts and disasters have their survival dependent on the aid provided and hence delays or cuts in assistance tend to negatively hinge on their survival. The securitization of aid has led to humanitarians being attacked with aid agencies suspending or downscaling their operations which leads to the potential loss of thousand victims whom humanitarian food and medical programs tend to be far from reach (Egeland, 2004).

Furthermore, the securitization of aid has led to decreasing respect for humanitarian law which constitute a threat to humanitarianism. The securitization of aid is often viewed as politicized and skewed towards donor states that donor have vested interests. For instance in 2008, 20% of all US aid were allocated to countries categorized as war zones such as Afghanistan, Iraq, Pakistan with aid stagnating to other conflict affected countries such as Cote d'Ivoire, Chad and Central African Republic. In the process of defeating armed insurgents, securitization of aid may also involve giving out of money to local people to win their hearts and minds for detailed information to help vanquish insurgents. In such issues, the neutrality and impartiality of humanitarians tend to be compromised. Also, in the provision of aid assistance to affected populations, humanitarians sometimes come in contact with dangerous opposition groups which sometimes coerces them to bend humanitarian laws to effectively accomplish their operations. Moreover, in recent times the increase in armed conflicts with a vast majority of victims being civilian populations has led to a declining respect for humanitarian law. Armed conflicts in the 1990's suggest that 90% of the casualties sustained were imputed to civilians (Gleditch et al, 2002). Also, the proliferation of armed non-state groups has led to a declining respect for humanitarian law. The motivations of these armed groups may be in their personal interests than to the acquisition of statehood and hence may decline from placing constraints on their behaviours. Due to the multiple and competing armed groups, there is a possibility of disregard for humanitarian laws in pursuit of groups' interests. The securitization of aid has led to disrespect for humanitarian law as non-state armed groups reveal nothing about objectives of the group or military tactics they might employ and hence reveal little about the prospects of respect for humanitarian law(Human Security Report, 2005).

In addition to this, the securitization of aid is a threat to humanitarianism due to increased security considerations rather than prioritizing poverty or need. In the process of securitizing aid, national security tend to override other priorities mostly with respect to poverty alleviation in conflict zones. The prioritizing



of security over humanitarian goals tend to shift development efforts and divert poverty reduction funds elsewhere. In the process of securitizing aid, terrorism has mostly been cited as not “weapon of the poor” which explains that security used to prevent terrorism will not be beneficial to the affected populations but tend to be recruited by terrorist organizations. For instance Iraq receives the same amount of aid as allocated to Sub-Saharan Africa as a whole yet some affected populations are exacerbated by poverty (Cosgrave, 2004). Also, the aid securitization can also lead to the pursuit of what can be perceived as the strategic objectives of donors which can fuel violence and neglect of duty towards the destitute. For instance, the Millennium Challenge Corporation which ties aid to stringent trade policies and governance stands in sharp contrast to the doubled and unconditional aid allocated to President Musharraf to help contain Al Qaeda and Taliban in regions of Afghanistan. Also, the securitization of aid could prove self-defeating due to aid being diverted from long-term strategies of poverty reduction to short-term objectives of national security which could prevent the aid from achieving its long term objectives. In aid securitization, civilian tasks could be assigned to military personnel's which is likely to fail due to lack of training and preparations for soldiers to promote gender equality or build schools. Also, the securitization of aid could highly lead to aid agencies being partial due to the overburdening of aid agencies with security tasks which could likewise jeopardize the staff of aid agencies due to confrontations with armed groups (Berthelemy, 2006).

## CONCLUSION

The rampant aid theft and violence on attacks on humanitarians workers has warranted the securitizations of aid. The idea of securitization has been debated in the literature with several contrasting views from scholars and analysts. Often securitization of aid has been viewed as shifts in political thought which helps to assists humanitarian organizations in securitizing surplus populations. The theoretical underpinnings also maintain that securitization of aid is also part of a securitizing the spread of potentially destabilizing surplus populations. This paper has argued that donor state securitization of aid is a threat to humanitarians. In this paper, donor state securitization constitute a threat to humanitarianism due to declining humanitarian access, upsurge on attacks on humanitarian workers, decreasing respect for humanitarian law as well as aid securitization that has led to increased security considerations rather than prioritizing poverty or need. Donor state securitization of aid should make use of reducing the possibility of targeted attacks by reducing or moving the motivations to attack and in addition focus on the need of affected populations to address it adequately.

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YOUNG  
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## ABOUT YALF AND OUR PROJECTS

The Young African Leaders Forum (YALF) is a pan-African, youth-led organisation whose major objective is to effectuate sustainable development in every African nation. We achieve this by detecting the root causes of Africa's developmental problems, researching and proffering workable solutions to them as well as executing these strategic solutions. We also work to empower Africa's young people to participate actively in the society so that they can improve their own lives by representing and solving their needs whilst also advocating for those of others. Our organization is incorporated and headquartered in South Africa – and has members and representations in 30 African nations, USA and Canada. We are also the official publishers of Africa's first youth-led journal of development, YALJOD.

In 2021, we are set to benefit African women and youths through our quarterly GROUNDINGS series which will be hosted in partnership with the Walter Rodney Foundation, Atlanta - Georgia.

This is in addition to our annual Pan-African Summits which empowers African young people through capacity-development trainings focused on five key areas of development: Leadership, Education, Entrepreneurship, Technology and Health/Environment. Our goal is to raise a generation of responsible leaders for Africa, who will be financially responsible and independent, become internet savvy, active within their societies - and who will campaign for peaceful co-existence and anchor the development of the nation from their immediate communities. There's no gainsaying that Africa has the youngest population in the world with over 200 million people aged 15 – 24. And whilst global news still contemplate whether this huge youth population is a risk or an asset, YALF strongly believes that harnessing youth potentials is a great way to transform all risks into assets. This is why we are inviting likeminded organizations and individuals to join us.

YALF Students Club exists already in three higher institutions – in Zimbabwe and Nigeria. Our students from Midlands State University and National University of Science and Technology in Zimbabwe are very proactive in spreading the visions of our organization throughout the SADC. The idea is to build our youths for the future – even from their undergraduate level. **We are open to partner with students' unions in establishing YALF clubs within universities across the globe.**

Follow our development works on social media through the following web links:

**Facebook:** [Young African Leaders Forum - YALF](#)

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Let's collaborate for Africa's sustainable development!

**Teresa Abila,**  
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# ABOUT YALJOD

The Young African Leaders Journal of Development (YALJOD) is an official publication of the Young African Leaders Forum (YALF). It was established in 2015 to host scholarly analysis and competing viewpoints about the development of Africa. Our motive for establishing such potential journal is to garner the ideas of Africa's young people as it concerns the development of Africa.

Strategic ideas and suggestions from Africa youth leaders will be pushed for implementation by the Young African Leaders Forum (YALF) with the aim of acquiring vital information and the additional strength to realise the Agenda 2063 vision plan.

